

**City of Minneapolis  
2012 Budget**

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December 2011

## LETTER OF TRANSMITTAL

Dear Residents of the City of Minneapolis:

We are pleased to present the City of Minneapolis' 2012 adopted budget. The 2012 budget incorporates a new funding methodology based on funding programs to allow prioritization of programs.

The 2012 adopted budget builds on many of the significant organizational and financial changes that have occurred in recent years and continues the City's commitment to long-term financial and business planning. The Mayor recommended no change to the tax levy from 2011. The adopted budget is structurally balanced over the next five years, as indicated by the five-year financial direction in the Financial Plan section of this document.

Balancing the budget over five years continues to be challenged by financial pressures, such as declining support from the federal and state governments, service demands and a desire for reducing growth in property taxes. This budget reflects a continued willingness to make difficult decisions in both the short and long-term to address the City's financial challenges.

The Financial Overview section of this document provides details on the City's continued fiscal discipline and financial planning efforts. An explanation of how to use this document is in the introduction section. The City's five-year capital program can be found in the Capital Program section of the document.

### *Short term financial challenges*

The City's short term financial challenges for the 2012 budget were considerable. The budget maintains spending for City departments at the 2011 level and holds the property tax levy flat. Additionally, 2012 is the second year that department budgets will reflect no increase in salaries. On a positive note, the 2012 budget reflects the value of the recently completed merger of the formerly closed MPRA and MFRA pension funds into the statewide PERA fund. This merger reduced the City's 2012 pension obligation by approximately \$20 million while providing significant increases in pension benefits for retired police and firefighters and their beneficiaries.

*Long-Term Financial and Results Planning*

The City's long-term financial planning has taught us the value of matching our spending and revenue over the long term. These financial policies, and the strong work on linking resources to results through Results Minneapolis, have given us much better information upon which to base our decisions. Future challenges include the impacts of falling property values, rising pension obligations, and continuing growth in the cost of providing basic City services.

Respectfully Submitted,



RT Rybak  
Mayor



Barbara Johnson  
Council President



Betsy Hodges  
Chair, Ways & Means/Budget



Dear Minneapolis residents,

Every four years the City engages in strategic planning to determine Citywide goals and strategic directions. In April of 2010, the Mayor and the City Council articulated six Citywide goals. These goals guide the elected officials during the budget process as they decide how to commit the City's resources.

#### **A Safe Place to Call Home**

People and businesses thrive in a safe and secure city

#### **Jobs & Economic Vitality**

A world-class city and 21st century economic powerhouse

#### **Livable Communities, Healthy Lives**

Our built and natural environment adds character to our city, enhances our health and enriches our lives

#### **Many People, One Minneapolis**

Inclusiveness is a treasured asset; everyone's potential is tapped

#### **Eco-Focused**

Minneapolis is an internationally recognized leader for a healthy environment and sustainable future

#### **A City That Works**

Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government

These goals can be found in more detail on the City's Web site at [www.ci.minneapolis.mn.us](http://www.ci.minneapolis.mn.us).

If you have questions about any of the material presented in the Budget in Brief, please call 311, available on any land line or cell phone within Minneapolis City limits. 311 is the only number you need to call for City of Minneapolis information and services. For online information about Minneapolis program performance and progress, go to <http://www.minneapolis.mn.gov/results-oriented-minneapolis/resultsmnneapolis.asp>.



## 2012 City of Minneapolis Budget in Brief

### Budget Process

#### **Mayor's Recommended Budget**

*June through August*

The Mayor holds budget hearings to review departmental budget proposals, other policy changes, and alternative funding options. After the initial review, the Mayor provides at least an overview of the recommended budget and tax policy in August. For 2012, the full budget was released in September.

#### **City Council Budget Review and Development**

*October through November*

The City Council discusses the Mayor's recommended budget. Each department, and certain Boards and Commissions, presents its budget to the Ways and Means/Budget Committee with all Council members invited to attend. After these hearings, the Ways and Means/Budget Committee makes changes to the Mayor's Recommended Budget and forwards it to the full City Council.

#### **Truth in Taxation**

*November*

Truth in Taxation (or "TNT") property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the property owner will be required to pay from all taxing jurisdictions. These statements also indicate the dates when truth in taxation public hearings will be held. This year the City's TNT public hearing was held on December 14, 2011.

#### **City Council Budget Adoption**

*December*

At a public hearing held on December 14, 2011, the City Council adopted a final budget that reflects any and all changes made to the Mayor's recommended budget. The final budget is referred to as the "adopted budget."

# THE CITY'S FUNDS

The accounts of the City are organized into funds. A fund is a group of related accounts, used to control money that has been dedicated for specific activities or objectives. By keeping revenue in its appropriate funds, the City is able to comply with laws that require certain money to be spent on specific uses. About 72 percent of the City's revenue is dedicated for a specific use. That means the City may not raise water bills to pay for police services, for example. Of the City's \$1.22 billion 2012 Adopted budget, most of the big spending decisions occur within the City's \$337.9 million general fund.

## REVENUES AND EXPENDITURES - CITYWIDE

### Police and Fire

The Police and Fire Departments make up 15.3 percent (\$188 million) of the City's budget, and 53 percent of the City's general fund. The City's 2012 Adopted budget funds 843 sworn police in five different precincts and 389 firefighters at 19 stations.

### Community Planning & Economic Development

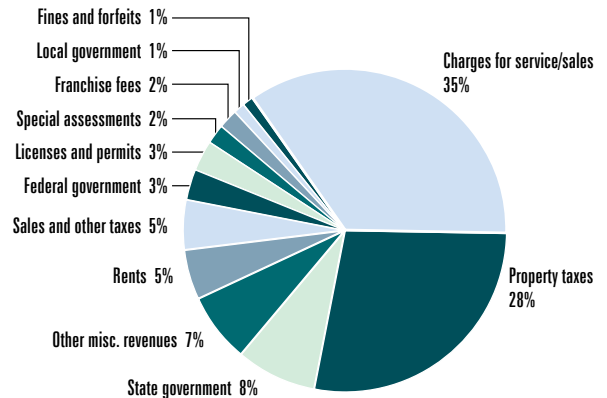
The Community Planning and Economic Development (CPED) Department accounts for about 5.2 percent (\$63.5 million) of the City's budget. CPED's work includes the following goals: promoting a healthy economy by working with private businesses, developing an educated workforce and living-wage jobs, administering programs for housing development and redevelopment, and interpreting and enforcing zoning codes.

### Public Works

The Public Works Department makes up the largest part of the City's budget (24.5 percent, \$299.6 million). The main tasks of Public Works include the following: offering safe transportation to residents by maintaining streets, bike paths and sidewalks; offering high-quality drinking water to residents and visitors by managing the sewer and water system, and facilitating the collection and disposal of garbage and recycling.

### Total Revenue Budget – Sources of Funds

2012 Adopted Budget: \$1.17 billion



**Federal government** includes grant revenue received from the Federal government

**Fines & forfeits** includes revenue generated by traffic violations or property forfeiture

**Franchise fees** is revenue from utility companies who pay to use of the City's right of way

**License and permits** is revenue generated by license and permit function of City, for example, building permits

**Local government** is revenue from Hennepin County

**Other misc. revenues** includes contributions, gains, interest, and long-term liabilities

**Property taxes** include tax increment funding used to fund development in economically disadvantaged areas of the City.

**Rents:** City departments pay rent to cover building maintenance and safety updates

**Sales and other taxes** include taxes unique to the City. The City of Minneapolis collects a 0.5 percent sales tax. The City also collects additional taxes on lodging, restaurant, liquor and entertainment sales that are dedicated to help fund the Convention Center. Minneapolis sends 6.875% of the total sales tax collected to the State of Minnesota.

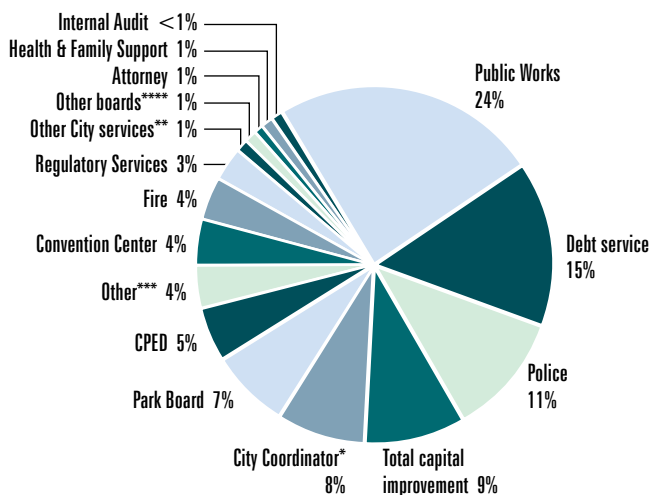
**Special Assessments** are charged to property owners for sidewalk replacement, street projects, and delinquent utility bills.

**State government revenue** comes from the State of Minnesota. The largest source is Local Government Aid (LGA). The State of Minnesota uses a formula to distribute LGA funds to cities in the State. In 2012, Minneapolis was appropriated \$64.1 million. In 2011, Minneapolis was appropriated \$87.5 million, but received just \$64.1 million. For more information on LGA and the distribution formula, please visit <http://www.house.leg.state.mn.us/hrd/topics.asp?topic=32>.

**Charges for services/sales** include utilities that residents pay for such as water, sewer, stormwater, garbage removal and recycling.

### Total Expense Budget – Use of Funds

2012 Adopted Budget: \$1.22 billion



\* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, BIS, 911 and Emergency Preparedness

\*\* Includes Assessor, City Clerk/Elections/Council, Civil Rights and Mayor

\*\*\* Includes self insurance, contingency and certain pension obligations

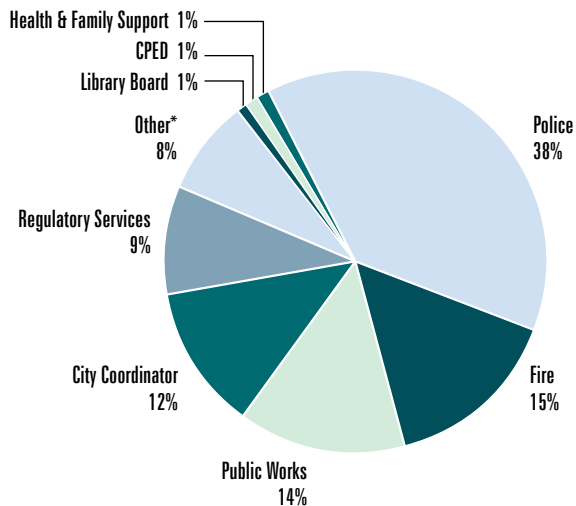
\*\*\*\* Includes Board of Estimate and Taxation, Youth Coordinating Board, the City's Contribution to Minneapolis Public Housing Authority, and Municipal Building Commission

# REVENUES AND EXPENDITURES - GENERAL FUND

The fund where the City has the most discretion is the General Fund. The two major sources of funding for the General Fund are local property taxes and Local Government Aid from the State. These two sources make up 68 percent of the General Fund budget of \$337.9 million. The General Fund is about 28 percent of the citywide budget. Here is a more detailed look at the General Fund:

## General Fund Expense Budget – Expenditures by Services

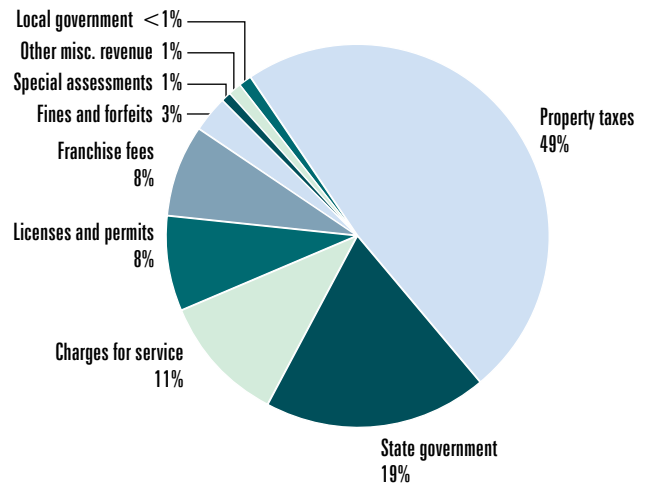
2012 Adopted Budget: \$337.9 million



\* Other departments: Assessor, Attorney, Council/Clerk/Elections, Civil Rights, Internal Audit, Mayor, Contingency

## General Fund Revenue Budget – Sources of Funds\*

2012 Adopted Budget: \$357.0 million



\* Category descriptions are the same as the Total Revenue Budget graph

# CAPITAL PLAN

Prior to the Mayor presenting his recommended Budget to the City Council, elected officials gather feedback from residents regarding what capital projects the City should undertake. The Capital Long-Range Improvement Committee consists of 33 residents (seven appointed by the Mayor and two appointed by each of the 13 Council members to represent their wards). CLIC members rank proposed capital projects and present their recommendations to the Mayor and City Council.

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, bridges, public buildings, traffic systems, park improvements, sewers, water infrastructure, etc. Capital projects tend to be costly, so the City often issues bonds to finance these projects. The City uses the cash received from bond sales to pay for capital projects, and repays investors over time at tax exempt interest rates determined by competitive bids received at the time the bonds were issued. This process is similar to a homeowner taking out a home improvement loan to complete a major home repair project.

The 2012 budget includes the 2012 - 2016 five-year capital plan. The five-year total for the capital budget is \$641.7

million, with 91 percent of it within the Public Works Department. The three biggest capital expense categories include street paving (\$268 million), storm sewers (\$99 million) and water infrastructure (\$98 million).

## Debt Service and Bonds

The City's total general obligation debt outstanding as of December 31, 2011, is approximately \$883 million. General obligation bonds are backed by the full faith and taxing authority of the City. Approximately 21% of this debt is paid for with future property tax payments, 34% is paid for by fees collected for sewer, water and parking services and the balance is supported by sales taxes, tax increment, special assessments and other user fees. Annually, the City pays between \$125 - \$150 million in principal and interest on its general obligation bonds.

The City's bonds receive the highest possible ratings from all three major credit rating agencies. The ratings represent the strength of the City's credit and thus the safety of investing in City bonds. The City's top bond ratings reflect the sound financial management of the City and allow the City to borrow money from investors at low interest rates.

# PROPERTY TAX DOLLAR BREAKDOWN

Your property tax dollars are split among several different organizations. The three organizations that receive the greatest proportion of your property taxes are the City of Minneapolis, Hennepin County, and Special School District No. 1. The City typically receives about 43 percent of the revenue from property tax payments made by City residents. Hennepin County receives about 28 percent, and the School District about 26 percent. The other 4 percent of property tax revenue is split between Metro Mosquito Control, Metropolitan Council, Metro Transit, the Minneapolis Institute of Arts, Hennepin County Regional Railroad Authority and the School Board referendum.

## 2012 Adopted Budget Property Tax Breakdown

Under the 2012 Adopted Budget, a Minneapolis home with an estimated value of \$194,400 will pay about \$3,119 in total property taxes, with approximately \$1,340 going to the City. See where that \$1,340 goes on the following chart and table:

## City Property Tax Breakdown for Home Valued at \$194,400

Tax per City service sector	In dollars
Police	\$ 284.50
Fire	115.53
Public Works	74.76
Other City departments	163.59
Closed pension funds and pension management plan	214.25
Capital and debt service	94.03
Miscellaneous	103.03
Library referendum debt service	44.28
Park	224.81
Independent boards	21.21

**Property Tax Breakdown**  
2012 Adopted Budget



# UTILITY RATES

The City charges for the following utilities: tap water, managing stormwater, managing sanitary sewers, and garbage/recycling. In the 2012 Adopted Budget, utility rates for a home with the average consumption will increase approximately 6.7 percent from 2011 rates. In 2012, water and sanitary sewer rates will include a fixed component based on meter size, in addition to a usage component.

## Average Annual Utility Bill Cost

Combined utility bill cost for average Minneapolis consumer

	2011	2012 Monthly Average	2012 Annual Average	2012 monthly \$ change	2012 % change
Water	\$ 25.60	\$ 27.60	\$ 331	\$ 2.00	7.8%
Sanitary Sewer	18.30	21.30	256	3.00	16.4%
Stormwater	11.42	11.70	140	0.28	2.5%
Solid Waste/Recycling	24.00	24.00	288	0.00	0.0%
<b>Total</b>	<b>79.32</b>	<b>84.60</b>	<b>1015</b>	<b>5.28</b>	<b>6.7%</b>

If you have questions about any of the material presented in the Budget in Brief, please call 311 or (612) 673-3000.

For online information about Minneapolis program performance and progress, go to <http://www.ci.minneapolis.mn.us/results-oriented-minneapolis/resultsminneapolis.asp>.

If you need this material in an alternative format please call 612-673-2162. Deaf and hard-of-hearing people call at 612-673-3000. TTY users call 612-673-2157 or 612-673-2626.

Attention- If you have any questions regarding this material please call 311. Hmong - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673 2800.

Spanish - Atención. Si desea recibir asistencia gratuita para traducir esta información, llame 612-673-2700.

Somali - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500.



# City of Minneapolis 2012 Budget

## How to Use This Document

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The budget book contains some of the best sources of information on governmental activities as well as key financial information for policy makers and managers. The highlights below will guide the reader through the various sections of the 2012 budget document.

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<b>Introductory Section</b>	This section, found before the first tab, includes lists of the City's elected officials, department and agency heads, the City's budget principles, and a City-wide organization chart.
<b>Section 1: Table of Contents</b>	The table of contents allows the user to pinpoint the page of a particular part of the City's budget.
<b>Section 2: Background Information</b>	<p>This section contains a community profile of the City of Minneapolis, including an overview of the City's history, economy, population, and attractions. A map of Minneapolis Communities and Neighborhoods and descriptions of the City's form of government are included in this section, as well as a chronology of financial decision making for the City.</p> <p>Descriptions of the major City funds are included in this section, including a bird's eye view of the relationship between fund types, revenue sources, expenditures and departments/boards.</p>
<b>Section 3: Strategic Planning</b>	The strategic planning section lists the set of City goals and strategic directions which were adopted by the Mayor and the City Council in 2010. The Citywide strategic plan provides clear direction for departments' business planning efforts. Annual budget process, dates for this year's budget process, and a description of integration of key processes follow. The City's financial decision calendar displays the annual flow of these processes. Links between the City goals and department five year business plan goals are described in this section.
<b>Section 4: Financial Policies</b>	This section presents the major financial policies adopted by the City Council and Mayor.
<b>Section 5: Financial Overview</b>	<p>This section summarizes the key decisions and financial issues addressed in the budget. It includes key charts and graphs which depict the various portions of the City's budget and key revenue trends. A chart of the Minneapolis property tax levy recommendation appears in this section.</p> <p>This section also contains a summary of major decisions in the budget, and enterprise level challenges.</p>
<b>Section 6: Financial Plans</b>	<p>Financial plans for the City's major funds and business lines are found in this section. The five-year financial direction begins this section. A summary of the demands on the property tax levy is included.</p> <p>For fund level plans, the budget, a three-year forecast and two years of actual expenditures are displayed on the financial page. These plans include narratives which summarize what operations are run in the fund, historical financial performance, and current year expenses, revenues, transfers and debt service.</p>

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<b>Section 7: Financial Schedules</b>	<p>These schedules summarize interfund transactions, revenues by major category, expenditures by fund and agency, the community development block grant program, community planning and economic development program allocations, and positions by department, charges for technology, fleet, property services, rent, and general fund overhead costs by department, all referenced in the appropriation resolutions.</p>
<b>Section 8: Capital Program</b>	<p>This section outlines the capital program by funding source and in total. A narrative summarizes the program and presents operating cost impacts as described by applicants for the funds. Information about the City's debt – the legal debt margin, outstanding debt, amortization of the debt, and the bond redemption levy – is included. A separate table of contents and glossary are included for this section.</p> <p>The program is also summarized by the commission, board or department which submitted the request along with each major program. A five-year total of the capital program and its allocations are included. A presentation by amount requested by the department/agency, the capital long range improvement committee recommendation, the Mayor's recommend budget, and the adopted budget follows.</p>
<b>Section 9: Operating Departments</b>	<p>This section provides the most detail on a department-by-department basis, including departments' financial summaries. These summaries include expenditures by program, type (<i>i.e.</i> salaries, benefits, contractual services and operating expenses) and fund; the department's revenue estimates; and positions.</p> <p>Narrative summaries for each department, including primary businesses and program descriptions are included. A brief financial overview of the department is prepared by finance staff. Department organizational charts are included in this section.</p>
<b>Section 10: Independent Boards and Agencies</b>	<p>This section provides information in a format similar to the City Council operating departments for independent boards and agencies. The amounts included are generally those most recently approved by the board of the organization.</p>
<b>Section 11: Glossary</b>	<p>A glossary is included for key financial and City terms. A more detailed glossary is available on the City of Minneapolis website. For more detail please reference the Glossary section of the City Council's Policies and Procedures page.</p>

**City of Minneapolis  
2012 Budget**

**Elected and Public Officials**

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***Mayor***

R.T. Rybak

***City Council***

Barbara Johnson, President	4th Ward
Robert Lilligren, Vice President	6th Ward
Kevin Reich	1st Ward
Cam Gordon	2nd Ward
Diane Hofstede	3rd Ward
Don Samuels	5th Ward
Lisa Goodman	7th Ward
Elizabeth Glidden	8th Ward
Gary Schiff	9th Ward
Margaret Tuthill	10th Ward
John Quincy	11th Ward
Sandra Colvin Roy	12th Ward
Betsy Hodges	13th Ward

**Board of Estimate and Taxation**

***Board Members***

R.T. Rybak	Mayor
Barbara Johnson	President, City Council
Betsy Hodges	Chair, City Council Ways & Means/Budget Committee
David Wheeler	President (Elected)
Carol Becker	Vice President (Elected)
Robert Fine	Park Board Representative

**Minneapolis Park and Recreation Board**

***Board Members***

John Erwin	President, Commissioner at Large
M. Annie Young	Vice President, Commissioner at Large
Robert Fine	Commissioner at Large
Liz Wielinski	Commissioner District 1
Jon Olson	Commissioner District 2
Scott Vreeland	Commissioner District 3
Anita Tabb	Commissioner District 4
Carol Kummer	Commissioner District 5
Brad Bourn	Commissioner District 6

## **Charter Department Heads / Assistant City Coordinators**

Kevin Carpenter	Chief Finance Officer
Otto Doll	Chief Information Officer
Patrick Todd	City Assessor
Susan Segal	City Attorney
Casey Carl	City Clerk
Steven Bosacker	City Coordinator
Velma Korbel	Civil Rights Director
Sara Dietrich	Communications Director
	Community Planning and Economic Development Director
Mike Christenson	Convention Center, Director
Jeff Johnson	Fire Chief
Alex Jackson	Health Commissioner
Gretchen Musicant	Human Resources Director
Pamela French	Intergovernmental Relations Director
Gene Ranieri	Internal Auditor
Magdy Mossaad	Neighborhood and Community Relations Director
David Rubedor	Director of Regulatory Services
Gregory Stubbs	Police Chief
Timothy Dolan	Public Works Director/City Engineer
Steve Kotke	

## **Independent Boards/Agencies**

Cora McCorvey	Public Housing Authority Executive Director
Jayne Miller	Minneapolis Park and Recreation Board Superintendent

# City of Minneapolis 2012 Budget

## Budget Principles

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### **1. Secure the City's long-term financial health.**

- ◆ Plan budgets based on ten-year outlook.
- ◆ Balance budgets across all funds.

### **2. Live within our means.**

- ◆ Adopt a revenue and debt policy before making spending decisions.
- ◆ Adopt consistent budget policies across all City government units including independent boards.

### **3. Challenge assumptions – nothing is off the table.**

- ◆ Development agency resources are City resources.
- ◆ Unexpected revenue sources go through the same budget process as other revenue.
- ◆ While some functions may be identified as core services, they will be scrutinized for efficiencies like anything else.

### **4. Provide choices and competition.**

- ◆ Departments will provide business plans that include feasible budget options to policymakers.
- ◆ Elected officials will make strategic resource decisions, not across-the-board cuts.
- ◆ Individual projects in a particular area must not be considered for funding independently of other projects.

### **5. Build in collaborative and transparent decision-making.**

- ◆ Mayor will involve Council Members and independent agencies and boards in the development of the budget. Employee suggestions and the citizen survey will also be used.

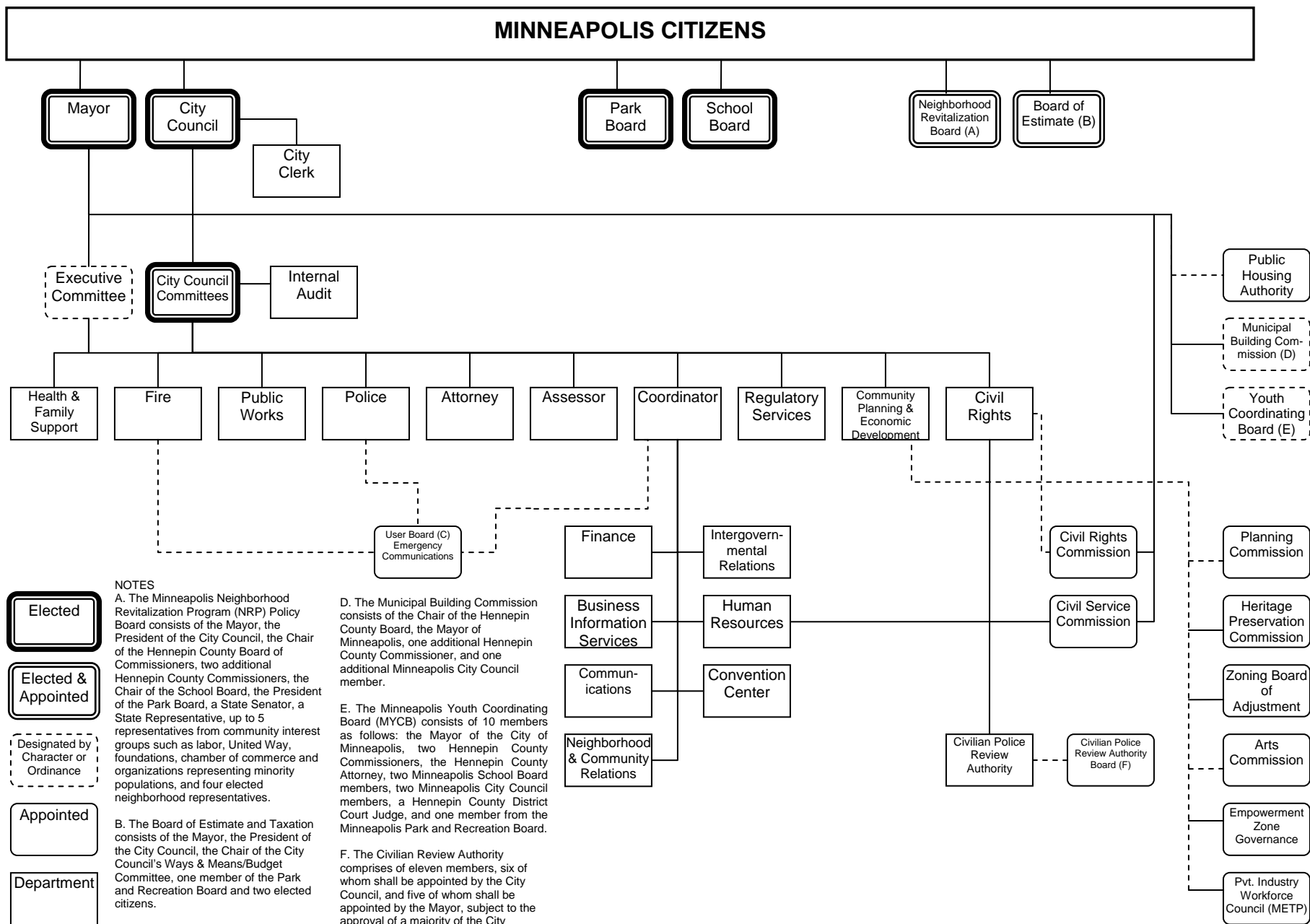
### **6. Protect core service delivery by avoiding duplication – both internal and external.**

- ◆ Between different City departments and agencies,
- ◆ With the county, state, independent boards, or other levels of government,
- ◆ With non-profits or the private sector and
- ◆ Consolidation or realignment of critical functions is an option.

### **7. Demand accountability.**

- ◆ Departments are expected to produce measurable outcomes (x dollars = y level of service). Failure to produce measurements will not result in escape from budget cuts.
- ◆ Department heads must manage to budget.

# City of Minneapolis



**NOTES**

A. The Minneapolis Neighborhood Revitalization Program (NRP) Policy Board consists of the Mayor, the President of the City Council, the Chair of the Hennepin County Board of Commissioners, two additional Hennepin County Commissioners, the Chair of the School Board, the President of the Park Board, a State Senator, a State Representative, up to 5 representatives from community interest groups such as labor, United Way, foundations, chamber of commerce and organizations representing minority populations, and four elected neighborhood representatives.

B. The Board of Estimate and Taxation consists of the Mayor, the President of the City Council, the Chair of the City Council's Ways & Means/Budget Committee, one member of the Park and Recreation Board and two elected citizens.

C. The Minneapolis Emergency Communications Center (911) is managed by a User Board chaired by the City Coordinator. Members are the Police Chief, the Fire Chief and the Hennepin County Administrator.

D. The Municipal Building Commission consists of the Chair of the Hennepin County Board, the Mayor of Minneapolis, one additional Hennepin County Commissioner, and one additional Minneapolis City Council member.

E. The Minneapolis Youth Coordinating Board (MYCB) consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.

F. The Civilian Review Authority comprises of eleven members, six of whom shall be appointed by the City Council, and five of whom shall be appointed by the Mayor, subject to the approval of a majority of the City Council.

Department of Finance, August, 2011



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Minneapolis  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2011**

*Linda C. Danson Jeffrey R. Egan*

President

Executive Director

**City of Minneapolis  
2012 Budget**

**Background Information**

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# City of Minneapolis 2012 Budget Background Information

## Community Profile

Minneapolis combines the Dakota word for water ("minne") with the Greek word for city ("polis"), a fitting name for the City with 22 of Minnesota's 12,034 lakes. Minneapolis is renowned for combining the best of urban life with the neighborhoods and quality of life found in smaller towns. Residents enjoy exciting cultural and recreational opportunities in beautiful natural surroundings.

### History

In the mid-17<sup>th</sup> Century, French explorers searching for the Northwest Passage were the first Europeans to visit the region. In the 1820s, at the confluence of the Minnesota and Mississippi rivers, soldiers from Fort Snelling constructed a saw-mill and a flour mill at the St. Anthony Falls. By the 1850s, the village of St. Anthony had been established on the east bank of the Mississippi and the village of Minneapolis on the west bank. The two towns were soon linked by a suspension bridge. Minneapolis' first volunteer fire company was organized in 1862, and the community was incorporated as a city in 1867. In 1872, Minneapolis and St. Anthony were united to form one city.



### Location

Minneapolis is the largest city in Minnesota and the center of finance, industry, trade and transportation for the Upper Midwest. At 44.58°–north latitude and 93.15°–west longitude, Minneapolis is 59 square miles (153 square kilometers), including 3.6 square miles (9.4 square kilometers) of inland water. It drapes along the banks of the nation's largest river, the Mississippi.



### Climate

Minneapolis has an average summer temperature of 70° F, and an average winter temperature of 16° F.<sup>1</sup> Minneapolis has four distinct seasons, with moderate spring and fall weather. Summer is comfortable because lakes and trees serve as natural air conditioners.



### Population

Minneapolis is home to an estimated 379,631 people. Males and females each make up 50.0% of the population. Children and youth aged 19 and younger make up 24.1% of the population. Seniors aged 65 and above, are 8.1% of the population. The median age is 31.9 years. African Americans comprise 18.2% of the population. People of American Indian and Alaska Native descent are 1.7% of the population. People of Asian ethnicity make up 5.6% of the population. People of another race, or those of 2 or more races make up 6.3% of the population<sup>2</sup>

<sup>1</sup> Source: Minnesota DNR, [www.dnr.state.mn.us/faq/mnfacts/climate.html](http://www.dnr.state.mn.us/faq/mnfacts/climate.html)

<sup>2</sup> Source: American Community Survey, 2006-2010, <http://factfinder.census.gov>

## Economy

In the early years, Minneapolis' economy was based on a booming lumber industry and the processing of Minnesota grain with the tremendous power-generating capabilities of St. Anthony Falls. Large flourmills along the river evolved into the international corporations of Pillsbury, Washburn Crosby (General Mills) and Cargill. In 2010, the ten largest Fortune 500 Companies headquartered in the Metro Area were:<sup>3</sup>

Employer	Revenue in Millions
United Health Group	94,155
Target	67,390
Best Buy	49,694
Super Valu	40,597
3M	26,662
CHS	25,268
U.S. Bancorp	19,490
Medtronic	15,817
General Mills	14,797
Land O'Lakes	11,146

As of first quarter 2011, the City's largest employment sectors were: Health care and social assistance (17%), educational service (11%), professional and technical assistance (10%), and finance and insurance (10%), and accommodation and food service (8%). The fastest growing employment sectors from fourth quarter 2010 to first quarter 2011 were real estate and rental and leasing, Utilities, wholesale trade, and management of companies and enterprises.<sup>4</sup> With twenty-one accredited colleges and universities in the Minneapolis-St. Paul area, and four ABA-accredited law schools, the City's highly educated workforce continues to be a driving force of a strong economy. The University of Minnesota's highly acclaimed medical school, and the City's seven hospitals, has made Minneapolis a leader in the medical field.



Abbott Northwestern Hospital  
(Piper Breast Center)

The City's unemployment rate rose in 2008. Details follow:<sup>5</sup>

	2007	2008	2009	2010	2011
Total Labor Force	196,897	215,673	217,941	218,733	214,254
Employment	188,319	204,704	201,774	204,234	201,281
Unemployment	8,579	10,969	16,167	14,499	13,186
Unemployment rate	5.1%	4.4%	7.4%	6.60%	6.15%

<sup>3</sup> Source: Official Statement, October 28, 2011, City of Minneapolis for General Obligation Various Purpose Bond Series 2011

<sup>4</sup> Source: "Minneapolis Trends" available at [http://www.ci.minneapolis.mn.us/cped/docs/3Q-2011trend\\_report.pdf](http://www.ci.minneapolis.mn.us/cped/docs/3Q-2011trend_report.pdf)

<sup>5</sup> Source: Official Statement, April, 2011

The City's top ten payers of property taxes in 2010 follow:<sup>6</sup>

Taxpayer	Type of Business	Net Tax Capacity*	Percentage of Total Net Tax Capacity
Northern States Power Co.	Utilities	\$6.4 million	1.47%
Target Corporation	Office Buildings and retail	\$4.2 million	0.95%
MB Mpls. 8 <sup>th</sup> Street LLC	Office Buildings	\$3.6 million	0.81%
Minneapolis 225 Holdings LLC	Office Buildings	\$3.4 million	0.78%
NWC Limited Partnership	Commercial/Industrial Buildings	\$3.3 million	0.75%
City Center Associates	Office Buildings	\$2.8 million	0.63%
First Minneapolis-Hines Co.	Banks	\$2.7 million	0.62%
Wells Operating Partnership LP I	Office Buildings	\$2.7 million	0.63%
Fifth Street Owner Corp.	Office Buildings	\$2.2 million	0.51%
Hilton Hotels Corp.	Hotel/Hospitality	\$2.2 million	0.50%
<b>Total</b>		<b>\$33.6 million</b>	<b>7.65%</b>



### Neighborhoods

Minneapolis has 81 residential neighborhoods offering 177,309 residential housing units.<sup>7</sup> The City is well known for its concerned and active citizenry which has engaged in partnerships with government and business to improve neighborhoods and create economic opportunities. The City shares the nation's current challenge to increase the number of affordable housing units and preserve housing stock in the face of foreclosures.

### Downtown

According to the City's analysis of the latest data from DEED, as of 2010, approximately 132,000 jobs are located in the downtown Minneapolis.<sup>8</sup> Second-story skyways keep downtown busy and thriving even on the coldest days. Nicollet Mall—a 12-block-long shopping area closed to automobile traffic and flanked by some of the nation's finest department stores and specialty stores—is the retail heart of Minneapolis. It also has Gaviidae Commons, City Center, and the Crystal Court.

### The Arts

The Twin Cities is second only to New York in per capita attendance at theater and arts events. Minneapolis has more than 30 theaters. The Guthrie Theater and the Children's Theatre Company are recognized as two of the country's best. In June of 2006, the Guthrie Theater celebrated the opening of its \$125 million theater on the banks of the Mississippi River on the northeastern edge of downtown. The City also boasts two world-class art museums, the Minneapolis Institute of Art and the Walker Art Center, and is home to the internationally acclaimed Minnesota Orchestra. Neighborhood arts activities—festivals, galleries and events—play a growing role in resident art participation.



<sup>6</sup> Ibid

<sup>7</sup> Source: Minneapolis Assessor, January 2012

<sup>8</sup> Source: CPED analysis of DEED data as of 2010



### Education

The City offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major landgrant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. In addition to the University of Minnesota, other institutions of higher education include: Minneapolis Community and Technical College, Dunwoody Institute, Minneapolis College of Art and Design, Augsburg College, Metropolitan State University, the University of Saint Thomas, St. Mary's University, the College of Saint Catherine, and Capella University.

The Washington Avenue Bridge crosses the Mississippi River and connects the University's East and West Banks

### Sports and Outdoor Recreation

Many major league teams call Minnesota home. Fans

can watch Major League Baseball's Minnesota Twins in action at Target Field, located in the Warehouse District of downtown Minneapolis. When the National Football League's Minnesota Vikings are in town, the Metrodome can seat 64,000 football enthusiasts. The Minnesota Timberwolves of the National Basketball Association, and the Minnesota Lynx of the Women's National Basketball Association play downtown in the Target Center.



Minnesota's National Hockey League team, the Wild, play in St. Paul. Minneapolis has the capacity to host large events at the City's Convention Center.

Minneapolis residents not only watch sports, they participate actively. In 2008, *Men's Fitness* magazine ranked Minneapolis number two on their top ten fittest cities list. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around and sailing in the City's lakes are favorite pastimes. In 2008, Bicycling Magazine awarded Minneapolis #1 Bike City.



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The City's Park and Recreation Board maintains 87 miles of walking and biking paths. The City also maintains sports fields, tennis courts, golf courses, and supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing, and ice sailing. The City maintains outdoor ice rinks. Early in Minneapolis' development, the land around five large lakes was dedicated to the public as parkland. With one acre of parkland for every 60 residents, outdoor recreation is an important part of life, and it is estimated that a City park is ready for fun no more than six to eight blocks from every home.



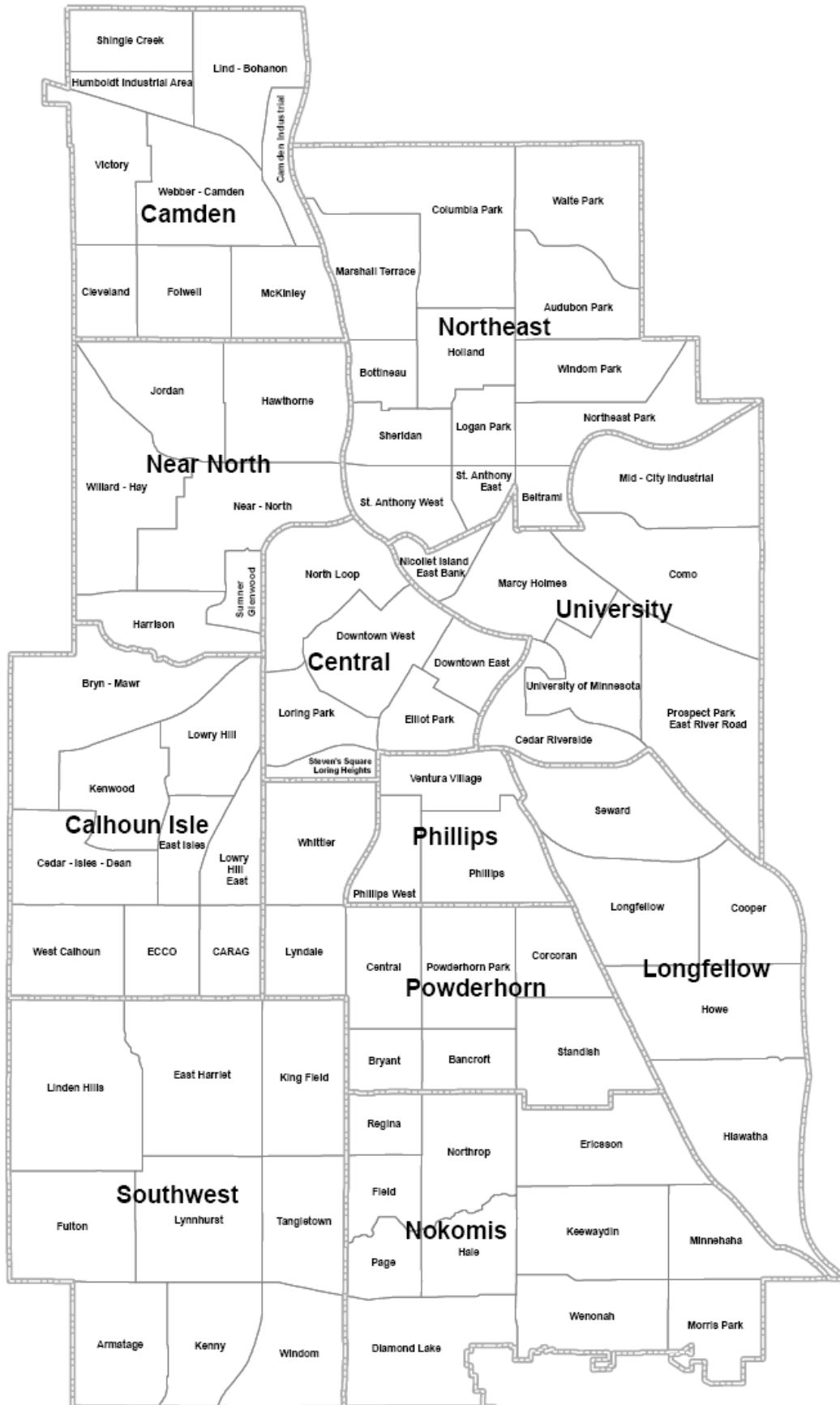
## Nationally Recognized

Minneapolis has recently receive national recognition as being a great place to visit, live well, run a business, and forge community connections. The following is a sample of some of the City's recent honors:

- 🚩 Cleanest City in America 2010 – *Travel and Leisure Magazine*
- 🚩 Third Best Market for Young Professionals 2010 – *Forbes Magazine*
- 🚩 # 8 on America's Best Cities List – *Outside Magazine*
- 🚩 Minneapolis one of the "Best Places to Live in 2010" – *Men's Journal*
- 🚩 Minneapolis/Saint Paul Named Top Metro Area for Business – *MarketWatch*
- 🚩 Minneapolis Best City in the Country to Find Employment - *Forbes*
- 🚩 Minneapolis Identified as the "Most Affordable Place to Live Well" – *Forbes*
- 🚩 One of 2007's Top Destinations – *Frommer's*
- 🚩 One of World's Top Biking Cities – *Travel + Leisure*
- 🚩 # 1 Bike City – *Bicycling Magazine*
- 🚩 City of Minneapolis Received Gold Award for "Bike Friendly Business" – *League of American Bicyclists*
- 🚩 # 4 City for Eating Smart, Being Fit, and Living Well – *Cooking Light*
- 🚩 Minneapolis Named the Nation's Second Fittest City – *Men's Fitness*
- 🚩 # 3 Best Cities for Singles – *Forbes Magazine*
- 🚩 Most Literate City – *Central Connecticut State University*
- 🚩 # 4 Smartest City in America – *The Daily Beast*
- 🚩 # 2 City to Have a Baby – *Fit Pregnancy*
- 🚩 Best Cities for Working Mothers – *Forbes Magazine*
- 🚩 Minneapolis/Saint Paul Ranks in Top 10 Areas in the Nation for Energy-Efficient Buildings - *EPA*
- 🚩 # 7 Sustainable City – *Sustain Lane*
- 🚩 Minneapolis Cleanest City in the Country – *Travel + Leisure*
- 🚩 Minneapolis One of the 10 Greenest Cities in the Nation – *Move.com*
- 🚩 Minneapolis/Saint Paul Area Ranked Top in the Nation for Volunteering – *National & Community Service*
- 🚩 # 1 National Night Out City of 2007 – *National Association of Town Watch*

For links to more information on many of these top rankings, visit [www.ci.minneapolis.mn.us/visitors/](http://www.ci.minneapolis.mn.us/visitors/)

# MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

# City of Minneapolis 2012 Budget

## Form of Government

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The City is a municipal corporation governed by a Mayor–Council form of government. It was incorporated in 1867 and adopted a Charter on November 2, 1920. Thirteen City Council Members from individual wards and the Mayor are elected for terms of four years. There is no term limit on these positions. The Mayor and City Council are jointly responsible for the adoption of the annual budget and a five-year capital improvement program. As required by Charter, the Mayor is responsible for preparing an annual operating and capital budget recommendation for the City Council's consideration. The Mayor has veto power, which the Council may override with a vote of nine members.

The City Finance Officer is charged with maintaining and supervising the various accounts and funds of the City as well as several boards and commissions. In addition, the city budget director is charged with assisting the Mayor, City Council and City departments in preparing the City's annual capital and operating budget. The City Finance Officer reports to the City Coordinator, who is appointed by the Mayor and serves as chief administrative officer of the City.

This annual budget report for the City includes organizations for which the primary government is financially accountable and for which the nature and significance of their relationships with the primary government are such that exclusion could cause the City's budget report to be misleading or incomplete. Below is a summary of the organizations reflected in the City's annual budget report, in addition to the primary government.

### Blended component units

The following component units have been presented as blended component units because the component unit's governing body is substantially the same as the governing body of the City, or the component unit provides services almost entirely to the primary government.

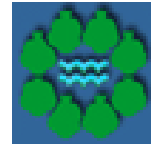
- ◆ **Municipal Building Commission.** The Municipal Building Commission (MBC) is an organization established January 4, 1904, by the State of Minnesota, to operate and maintain the Minneapolis City Hall/Hennepin County Court House Building, which was built pursuant to Chapter 395 of the Special Laws of 1887. The four commissioners are the Chairman of the Hennepin County Board of Commissioners, the Mayor of the City of Minneapolis, an appointee of the Hennepin County Board and an appointee of the Minneapolis City Council. The Mayor recommends the tax levy and budget for the City's share of the MBC's operations, and the City Council and Mayor approve the allocation of state local governmental aid to the MBC.
- 
- ◆ **Board of Estimate and Taxation.** The Board of Estimate and Taxation (BET) is established under Chapter 15 of the City Charter. It is composed of seven members, two of whom are elected by voters of the City. The Mayor or the Mayor's appointee, the President of the City Council and the Chair of the City Council's Ways and Means/Budget Committee are ex-officio members of the Board. The Minneapolis Park and Recreation Board annually selects one of its members to serve on the BET. By action of the City Council, or such other governing board of a department requesting the sale of bonds, the BET may vote to incur indebtedness and issue and sell bonds and pledge the full faith and credit of the City

for payment of principal and interest. The BET also establishes the maximum property tax levies for most City funds.

### **Discretely presented component units**

The following organization is legally separate from the City, but is included in the City's annual budget report and annual financial reports because the primary government is financially accountable.

- ◆ ***Minneapolis Park and Recreation Board.*** The Minneapolis Park and Recreation Board was established according to Chapter 16 of the City Charter. The nine-member board is elected by the voters of the City and is responsible for developing and maintaining parkland and parkways, as well as planting and maintaining the City's boulevard trees. The Mayor recommends the tax levies and budget for the Park Board, and the City Council and Mayor approve the allocations of local government aid from the state for Park Board operations. All Park Board actions are submitted to the Mayor, and a mayoral veto may be overridden by a vote of two-thirds of the members of the Park Board. The Board of Estimate and Taxation approves the maximum property tax levy for the Park Board, and the full faith and credit of the City secure debt issued for Park Board projects. The City Finance Officer acts as Treasurer of the Park Board.



### **Related organizations**

The City's officials are also responsible for appointing members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The financial information for these organizations is not included in detail in this report.

- ◆ ***Metropolitan Sports Facilities Commission.*** The Metropolitan Sports Facilities Commission (Commission) is an appointed authority established in 1977 Minnesota laws. Of the seven members of the Commission, the City of Minneapolis appoints six. The Chair, who must by statute reside outside Minneapolis, is appointed by the Governor. The Commissioners serve four-year terms and removal is for cause only. The primary responsibility of the Commission is to serve as owners, operators, and landlords of the Hubert H. Humphrey Metrodome Sports Facility in Minneapolis. The major tenant of the Metrodome sports facility is the Minnesota Vikings.
- ◆ ***Minneapolis Public Housing Authority.*** The Minneapolis Public Housing Authority (MPHA) is the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis. A nine-member Board of Commissioners governs MPHA. The Mayor of Minneapolis appoints the Board Chairperson, and four Commissioners (one of whom must be a public housing family-development resident) are appointed by the City Council. The mission of the MPHA is to provide well-managed, high-quality housing for eligible families and individuals; to increase the supply of affordable rental housing; and to assist public housing residents in realizing goals of economic independence and self-sufficiency.



## Joint ventures

The City is a participant in several joint ventures in which it retains an ongoing financial interest or an ongoing financial responsibility. Two of these joint ventures are reflected in the annual budget report for the City: Minneapolis Neighborhood Revitalization Board and Minneapolis Youth Coordinating Board.

- ◆ **Minneapolis/Saint Paul Housing Finance Board.** The Minneapolis/Saint Paul Housing Finance Board was established in the early 1980s, in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul and the Community Planning and Economic Development Department, and accepted by the Cities of Minneapolis and Saint Paul under Minnesota law. The Community Planning and Economic Development Department's oversight responsibility of the Board is limited to its governing body's ability to appoint only three of the six members of the Board. The territorial jurisdiction of the Board extends beyond the corporate limits of the City of Minneapolis.
- ◆ **Minneapolis Neighborhood Revitalization Policy Board.** The Minneapolis Neighborhood Revitalization Policy Board (NRPB) was established in 1990, in accordance with a Joint Powers Agreement entered into between the Hennepin County Board of Commissioners, the Board of Directors of Special School District No. 1, the Park Board and the Mayor and City Council under authority of State of Minnesota laws. The NRPB is composed of 20 members and includes public officials as well as representatives of neighborhood and community-interest organizations. The majority of members are persons other than the representatives of the jurisdictions that entered into the Joint Powers Agreement.
- **Minneapolis Youth Coordinating Board.** The Minneapolis Youth Coordinating Board (YCB) was established in the mid-1980s, in accordance with a Joint Powers Agreement entered into between the Hennepin County Board of Commissioners, the Board of Directors of Special School District No. 1, the Park Board, the Mayor and the City Council under authority of State of Minnesota laws. The Board consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.



**City of Minneapolis  
2012 Budget  
Chronology of Financial Decision Making**

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1994	Agreement between the independent boards and the City on the division of Local Government Aid.
mid-late 1990's	Internal Service Funds deficits begin; COPS grant funds police expansion.
1997	First efforts to quantify and fund the Public Works infrastructure gap; attempt to increase pay as you go capital funding and reduce bonding.
1998-2000	Positive stock market returns leads to a reduction in the City's levy requirement for police and fire relief.
2000	Library referendum passes; Mayor and Council agree to enhanced capital funding for the Park Board at a level above funding for City projects.
2001	City loses AAA rating from Moody's. Reason cited: internal service fund deficits. Stock market falls – convention center and parking fund suffer directly from economic downturn; pension obligations escalate
2002	Adoption of maximum property tax increase policy; negative outlook from Fitch rating agency
2003	Adoption of Five-Year Financial Direction and Commitment to Business Planning; 2% Wage Policy; Local Government aid Reductions City uses 8% tax increase and 2% wage policy to manage employment costs during budget shortfalls
2004	Departments bring forward first five-year business plans
2006	Fitch removes negative outlook; Moody's maintains Aa1 citing pent up internal demands for spending
2007	Compensation philosophy replaces the 2% wage policy MERF pension "liquidity trigger" eliminated by the State Legislature Sale of six parking ramps
2008	Minneapolis Library System merges with Hennepin County Library System State Legislature imposes Levy Limits on Local Governments for 2009-2011; Governor unallots State aid in December—Minneapolis' cut: \$13.2 million
2009	Governor unallots State aid—Minneapolis loses \$8.5 million in 2009; \$21.3 million in 2010
2010	Minneapolis' LGA is cut an additional \$9.6 million Minneapolis regains AAA rating from Moody's MERF pension plan consolidated with statewide local government employee pension plan
2011	Minneapolis' LGA is cut \$24.3 million in August 2011 in response to State structural budget crisis
2012	City implements Priority Budgeting

**City of Minneapolis  
2012 Budget  
Background Information**

**Fund Descriptions**

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The accounts of the City are organized by fund types. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operations of each fund are monitored with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures/expenses. Following is a listing and description of all City funds.

**General Fund.** The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**Enterprise Funds.** The Enterprise Funds are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where expenses, including depreciation, are recovered principally through user charges. The City operates eight enterprise funds, including the Community Planning and Economic Development (CPED) department:

**Water Works Fund.** This fund is used to account for the operation, maintenance and construction projects related to the water delivery system. This fund also accounts for the operations related to the billings for water, sewage and solid waste fees.

**Sanitary Sewer Fund.** This fund will be used to account for the operation, maintenance and construction projects related to the sanitary sewer system.

**Stormwater Fund.** This fund will be used to account for the operation, maintenance and construction projects related to the stormwater utility system.

**Solid Waste and Recycling Fund.** This fund is used to account for the revenues and expenses for solid waste collection, disposal and recycling activities.

**Municipal Parking Fund.** This fund is used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the Municipal Impound Lot.

**Park Operations Fund.** This fund is used to account for operation, maintenance and construction of projects related to the Park Board, especially golf courses.

**River Terminal.** This fund is used to account for the operations of the public terminal facility located on the Mississippi River.

**Internal Service Funds.** Internal Service Funds are similar to Enterprise Funds in that they are used to account for those City services which are financed and operated in a manner similar to private business enterprises, however, the customer is typically other City departments instead of the public. The City operates six Internal Service Funds:

**Engineering Materials and Supplies.** This fund is used to account for the operations of the City's asphalt plant and paving products laboratory. The paving products laboratory provides in-lab and on-site testing and soil boring services to ensure quality control of asphalt and soils for projects.

**Intergovernmental Services.** This fund is used to account for business information services, central mailing and printing services, and the City's telecommunication operations.

**Property Services.** This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Minneapolis Public Service Center, and various other City office locations, except for the City Hall/County courthouse building, which is accounted for in the Municipal Building Commission Special Revenue Fund.

**Permanent Improvement Equipment.** This fund is used to account for the ownership and operation of radio communications equipment and a fleet of motorized equipment and vehicles. The fund operates as a rental agent to various departments to support the construction and maintenance of city infrastructure, fire protection services, and police services.

**Public Works Stores.** This fund is used to account for the centralized procurement, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services.

**Self-Insurance.** This fund is used to account for administrative costs employee benefit programs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program.

**Park Self-Insurance and Internal Service Funds.** This fund is used to account for park employees' medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program. The Park Board also has an internal service fund for charges within its programs.

**Special Revenue Funds.** Special revenue funds are used to account for the proceeds of revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City has thirty-four Special Revenue Funds, including community and economic development funds. These funds are used to account for the City's planning and community development goals, most of which are financed through property tax increment financing.

**Arena Reserve Fund.** This fund is a holding fund for various finance plan revenues to be used for future cost relating to the acquisition and capital maintenance of the downtown sports, entertainment and health complex.

**Board of Estimate and Taxation Fund.** This fund is used to account for the operations of the Board of Estimate and Taxation which issues and sell bonds, and establishes the maximum levies for the City, its boards and commissions.

**Community Development Block Grant.** This fund is used to account for the federal grants received under the Federal Community Development Block Grant provisions.

**Convention Center.** This fund is used to account for the ownership, maintenance, and operation of the Minneapolis Convention Center, and the proceeds of the local sales and use tax.

**Convention Facilities Reserve.** This fund is a holding fund for parking and sales tax revenues to be used for future capital maintenance needs of the existing Convention Center.

**Employee Retirement.** This fund is used to account for the tax levy proceeds and other sources of revenue for the Minneapolis Employee Retirement Fund (MERF), Minneapolis Firefighters' Relief Association (MFRA), and Minneapolis Police Relief Association (MPRA) retirement programs for some city employees.

**Grants – Federal.** This fund is used to account for all federal grants, except for the Community Development Block Grant (CDBG), which is accounted for in a separate fund.

**Grants – Other.** This fund is used to account for grants received from the State of Minnesota, Hennepin County, local government units, and private funds.

**Municipal Building Commission.** This fund is used to account for the cost of operating and maintaining the City Hall/County Court House building.

**Police Special Revenue.** This fund is used to account for the revenues and expenditures related to federal and state administrative forfeitures and the revenues and expenditures related to the regulation of lawful gambling in the City.

**Park Operating Fund.** This fund is used to account for revenue and expenditures related to the cost of operating and maintaining the Minneapolis Parks system.

**Capital Projects Funds.** The Capital Projects Fund is used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types.

**Community Planning and Economic Development.** This fund is used to account for the capital project activities of the department of Community Planning and Economic Development.

**Municipal Building Commission (MBC) Capital Fund.** This fund is used to account for the capital project activities of the MBC, a component unit of the City of Minneapolis.

**Permanent Improvement Capital Fund.** This fund is used to account for capital acquisition, construction, and improvement projects including bridge construction, sidewalk construction, street construction, energy conservation projects, infrastructure projects, and many Business and Information Services (BIS) projects.

**Park Board Permanent Improvement Capital Fund.** This fund is used to account for the capital project activities of the Park Board.

**Debt Service Funds.** The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs. Included in the Debt Service Funds are:

**Community Development Agency Debt Service Fund.** This fund is used to account for the debt service activities of CPED and includes the Arena Acquisition Project (Target Center) Series A and B bonds, Tax Increment Bonds of 1990, and Tax Increment Revenue Notes.

**Development Debt Service Fund.** This fund is used to account for the debt of projects supported by property tax increments, transfers of sales tax revenues from the Convention Center Special Revenue Fund for related debt, and a state grant relating to the completion of the Convention Center.

**General Debt Service Fund.** This fund is used to account for General Obligation Bonds supported by a property tax levy, Management Information System debt supported by the City's General Fund, Great River Road Bonds, Edison Hockey, Community Health, Xcel Power-Revenue, and Section 108 HUD Revenue Notes.

**Special Assessment Debt Service Fund.** This fund is used to account for debt supported by special assessments with the exception of the Park Diseased Tree debt.

**City of Minneapolis**  
**Bird's Eye View of the Relationship between Fund Types, Revenue Sources,**  
**Expenditures and Departments/Boards**

	<b>General Fund</b>	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>Special Revenue Funds</b>
<b>Major Funds Included:</b>		Water, Stormwater, Sewer, Solid Waste, Parking	Engineering Materials, Intergovernmental Services, Property Services, Equipment, Stores, Self-Insurance	Convention Center, Community Development Block Grants, Community and Economic Development Grants, Other Grants, Arena Reserve
<b>Revenue Sources</b>	Local Government Aid, Property Taxes, Franchise Fees, Licenses and Permits	Utility charges, state grants and contributions, rents	Charges for Services, Rents, Transfers from other funds	Grants, Sales Taxes, Property Tax Increment
<b>Expenditure Classifications</b>	Personnel, Operating Costs, Contractual Services, Equipment	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service, liability and workers compensation	Personnel, Operating Costs, Contractual Services, Equipment
<b>Major Departments</b>	Police, Fire, Public Works, others	Public Works	Public Works, Copy Center, City Attorney—Civil Division, IT Services	Convention Center, Health and Family Support, Attorney, Fire, Police, Closed Pension Plans

**City of Minneapolis**  
**Bird's Eye View of the Relationship between Fund Types, Revenue Sources,**  
**Expenditures and Departments/Boards, continued**

	<b>Capital Projects Funds</b>	<b>Debt Service Funds</b>	<b>Park Board Funds</b>
<b>Major Funds Included</b>	Permanent Improvement Funds, Arbitrage Funds	Assessments Paid, Property Development Revenue	The Park Board has enterprise, internal service and special revenue funds. The general fund is treated as a special revenue fund.
<b>Revenue Sources</b>	Property Taxes, Proceeds from Long Term Liabilities, State Aid	Property Taxes, State Aid, Property Tax Increment	Property Taxes, Local Government Aid, Charges for Sales (golf courses etc), Contributions, and Grants
<b>Expenditure Classifications</b>	Capital project expenditures related to street construction and infrastructure projects	Payments of interest and principal on City's debt	Personnel, Operating Costs, Contractual Services, Equipment
<b>Major Departments</b>	Public Works	Not applicable	

The number of City Funds above includes smaller boards, such as:

- Municipal Building Commission (funded mainly from Property Tax and State Aids)
- Board of Estimate and Taxation (funded from Property Tax and State Aids)
- Youth Coordinating Board (a joint board funded from the City's General Fund and grants)

**City of Minneapolis  
2012 Budget**

**Strategic Planning**

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## Minneapolis 2020 – A Clear Vision for the Future

Minneapolis is a vibrant and welcoming city that encourages learning and innovation and embraces diversity. A mixture of accessible housing, jobs and educational opportunities creates a livable city and stimulates growth. Neighborhoods give the comfort and safety of home while offering the connectedness of community. Thriving commercial areas are linked by state-of-the-art transit and generous green spaces. Renowned cultural and recreational activities entertain and inspire. Minneapolis is a valued state resource and a city people enjoy visiting and calling home. The City's future is shaped through thoughtful and responsible leadership in partnership with residents and coordinated with a regional vision.

### Five-Year Goals (Adopted in 2010 for 2010 to 2014)

#### **A Safe Place to Call Home**

*People and businesses thrive in a safe and secure city*

- Collaborative and caring communities help prevent crime
- Youth . . . in school, involved, inspired and connected to an adult
- Sustain gains against violent crime
- Healthy homes, welcoming neighborhoods
- Homelessness eliminated
- Burglaries and domestic violence focused on and fought
- Guns, gangs, graffiti gone

#### **Jobs & Economic Vitality**

*A world-class city and 21st century economic powerhouse*

- Businesses — big and small — start here, stay here, thrive here
- Talent magnet connecting people to training and jobs to people
- Strong commercial corridors, thriving business corners
- Planes, trains and streetcars move goods and workers smartly
- Teens prepared with career and life skills
- Epicenter for the new green jobs economy
- Proactive business development in key growth areas
- Arts and artists are economic drivers in and of themselves

#### **Livable Communities, Healthy Lives**

*Our built and natural environment adds character to our city, enhances our health and enriches our lives*

- Equitable, integrated transit system
- Thoughtful neighborhood design with density done right
- Plentiful arts, cultural and recreational opportunities
- High-quality, affordable housing for all ages and stages in every neighborhood
- Active lifestyles: walkable, bikeable, swimmable
- Healthy choices are easy and economical

## **Many People, One Minneapolis**

*Inclusiveness is a treasured asset; everyone's potential is tapped*

- Family-friendly opportunities and amenities abound
- New arrivals welcomed, diversity embraced
- Race and class gaps closed in employment and housing
- Tots school-ready, teens on course
- Teen pregnancy a thing of the past
- Seniors stay and talents are tapped

## **Eco-Focused**

*Minneapolis is an internationally recognized leader for a healthy environment and sustainable future*

- Clean, renewable energy sources successfully integrated
- Trees: a solid green investment
- Lakes and streams pristine
- Use less energy, produce less waste
- World class parks fully enjoyed
- Locally grown food available and chosen

## **A City That Works**

*Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government*

- Shared democracy empowers residents as valued partners
- 21st century government: collaborative, efficient and reform-minded
- Tax burden managed and sustainable
- Infrastructure — streets, bridges, sidewalks, sewers, bike lanes & paths — well-managed and maintained
- City employees high-performing, engaged and empowered
- Transparency, accountability and fairness are our hallmarks
- Strong partnerships with parks, schools, government, non-profits and private sector
- Optimal use of technology and wireless capacity

*These five-year goals and the strategic directions were developed and approved by the Minneapolis City Council in April 2010.*

**City of Minneapolis  
2012 Budget  
Strategic Planning  
Annual Budget Process**

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The City of Minneapolis annual budget process integrates information from the City's enterprise priority-setting process, capital long-range improvement committee process and the departmental performance review process to establish annual resource allocations.

**March**

***Preliminary year-end budget status report***

Finance presents a year-end budget status report for the previous year to the Ways and Means/Budget Committee. This is a preliminary report because the audited comprehensive annual financial report (CAFR) is available in the second quarter of the year.

**March–April**

***Capital improvement budget development***

The City has a five-year capital improvement plan. The departments prepare and modify capital improvement proposals on annual basis. Finance, Planning, and the capital long-range improvements committee (CLIC) review capital improvement proposals of the departments. CLIC is the citizen advisory committee to the Mayor and the City Council on capital programming.

***Strategic planning***

The City engages in citywide strategic planning every four years to develop citywide goals and strategic directions. These citywide goals and strategic directions set guidelines for each department to develop its business plan. Early in 2010, the elected officials and department leadership participated in three sessions which aimed at setting a future direction for the City within the financial parameters anticipated. As a result of the decisions arrived to in these sessions, a new vision, five-year goals, and strategic directions have been adopted.

**April–June**

***Operating budget development***

Departments work in coordination with Finance to prepare operating budgets based on programs. The program proposals submitted by departments are then reviewed by committees related to goal areas and ranked based on priorities of the City. The groups' recommendations are then forwarded to the Mayor for his review and decisions. In addition to preparing operating budgets for programs, departments prepare proposals that describe policy and the organizational changes with financial implications. The program proposals form the basis for the Mayor's budget meetings with departments held in June and July.

**June–September**

***Mayor's Recommended Budget***

The 2012 Mayor's Recommended Budget will be based on program proposals submitted by departments to be considered against the City's goals by review teams consisting of professional staff from throughout the organization. These teams are charged with making recommendations to the Mayor, who will review all proposals and team rankings, and will develop a budget based on programs. After the Mayor reviews the program proposals, departmental budget meetings are held to gather information and determine other additional

policy changes and alternative funding choices. In addition to reviewing operating budgets, the Mayor meets with representatives from CLIC before finalizing the capital budget recommendation. By City Charter, the Mayor must make recommendations to the City Council on the budget no later than August 15.

## **September**

### ***Maximum proposed property tax levy***

As a requirement of State law, the maximum proposed property tax levy increase is set by September 15 by the Board of Estimate and Taxation for the City, Municipal Building Commission, Public Housing Authority and Park Board.

## **October–November**

### ***City Council budget review and development***

The City Council holds public hearings on the budget. Departments present their Mayor recommended budgets to the Ways and Means/Budget Committee with all Council members invited to attend. Following departmental budget hearings, the Ways and Means/Budget Committee approves and moves forward final recommended budget to the City Council. The Committee-recommended budget includes any and all changes that are made to the Mayor's recommended budget.

### ***Truth in Taxation***

"Truth in Taxation" or "TNT" property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the owner will be required to pay. These statements also indicate the dates when truth in taxation public hearings will be held. State law was changed in the 2009 Legislative session to eliminate a separate TNT hearing and replace it with a requirement to allow public comments at the meeting at which the final budget adoption occurs. The City Council has maintained this hearing as part of the regularly scheduled budget meetings. According to state law, the meeting must be held after 6:00 p.m.

## **December**

### ***City Council budget adoption***

The City Council adopts final budget that reflects any and all changes made to the Mayor's Recommended Budget. Once the final budget resolutions are adopted, all the requests from departments for additional funds or positions made throughout the year are brought as amendments to the original budget resolutions before the Ways and Means/Budget Committee and the City Council for approval.

The independent boards and commissions adopt their own operating budgets. State law requires that final budget adoption occur after November 24.

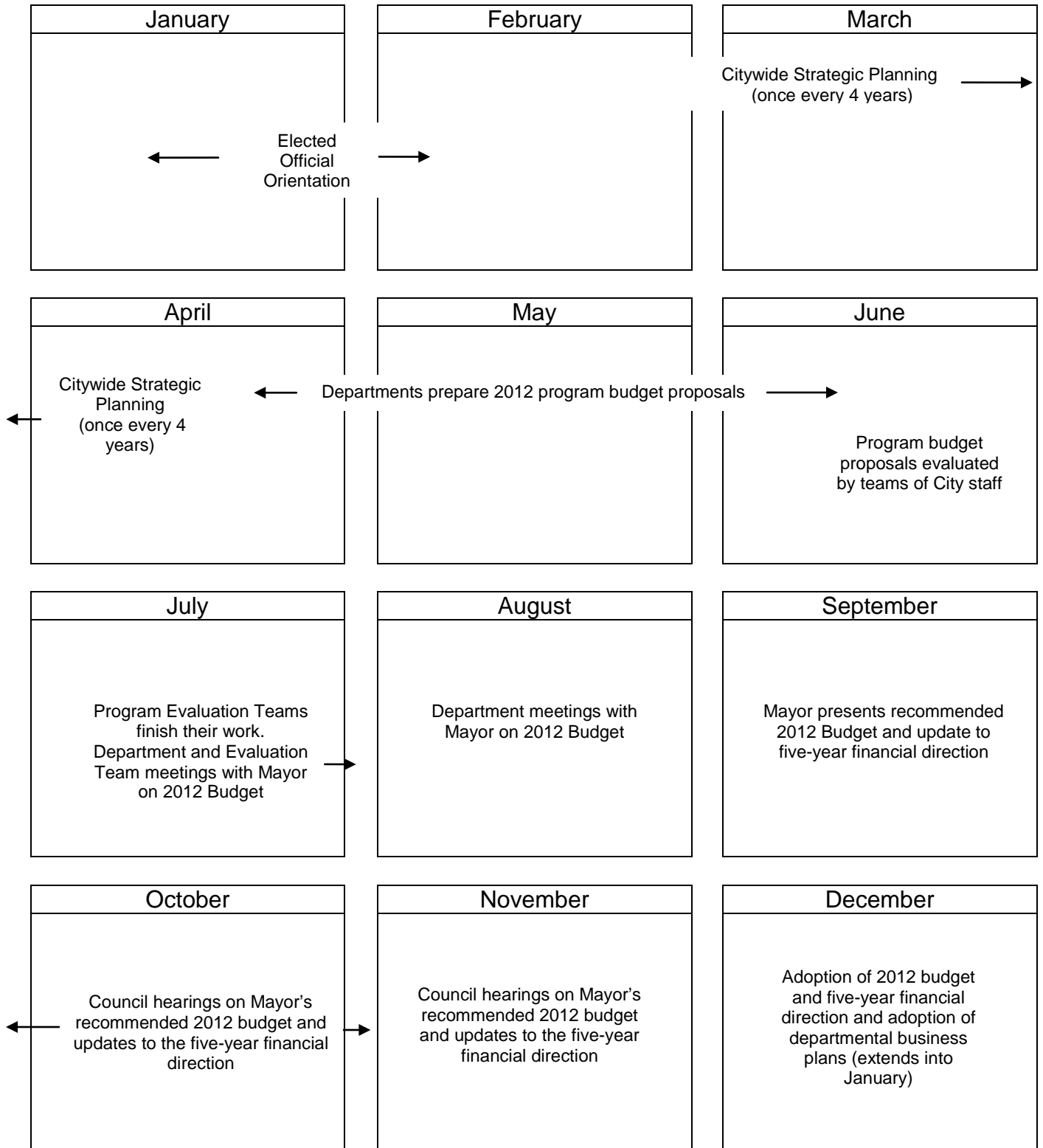
**Specific significant dates for 2012 budget adoption are as follows:**

Sept 2010 - Apr 2011	Council approves departmental 2010-2014 business plans*
Mar 8	State of the City Speech 11:00 a.m.
Apr 1	Capital project requests due for Capital Long Range Improvement Committee (CLIC) consideration
Apr 12 - May 3	CLIC review and presentations of capital proposals
May 26	Joint public hearing of CLIC and Planning Commission on 2011-2015 Capital Plan
June-July	Mayor will meet with each City department and the independent boards to review budget and business plan proposals
July-Aug	Mayor finalizes budget recommendation
July 13	CLIC report distributed to Mayor and Council
August 15	Submission of tax levies recommended by the Mayor to Council
Sept 12	Mayor's budget presentation/speech
Sept 13	Board of Estimate public hearing on maximum property tax levies
Sept 13	Board of Estimate meeting to set the maximum property tax levies
Sept 16	Work Session with Council to discuss priority-based budgeting and overview of proposed budget
Sept - Oct	Ways and Means Hearings on the Budget and Business Plans (schedule to be determined by City Council)
Oct	Special City Council meeting to be called by the Mayor requesting Council action to provide preliminary approval of the budget, if needed **
Nov 30	Public Comment on Levy and Budget 6:05 p.m.
Dec 6	Markup by Ways and Means Committee, with all Council Members invited to attend 9:30 a.m. until noon and 1:00 p.m. until 4:30 p.m.
Dec 7	Markup by Ways and Means Committee, with all Council members invited to attend (if needed) 1:30 p.m. until 4:00 p.m.
Dec 14	Council budget adoption 6:05 p.m.

\*Business plans are normally approved by Council in Sept-Oct. CPED's business plan will be approved in April.

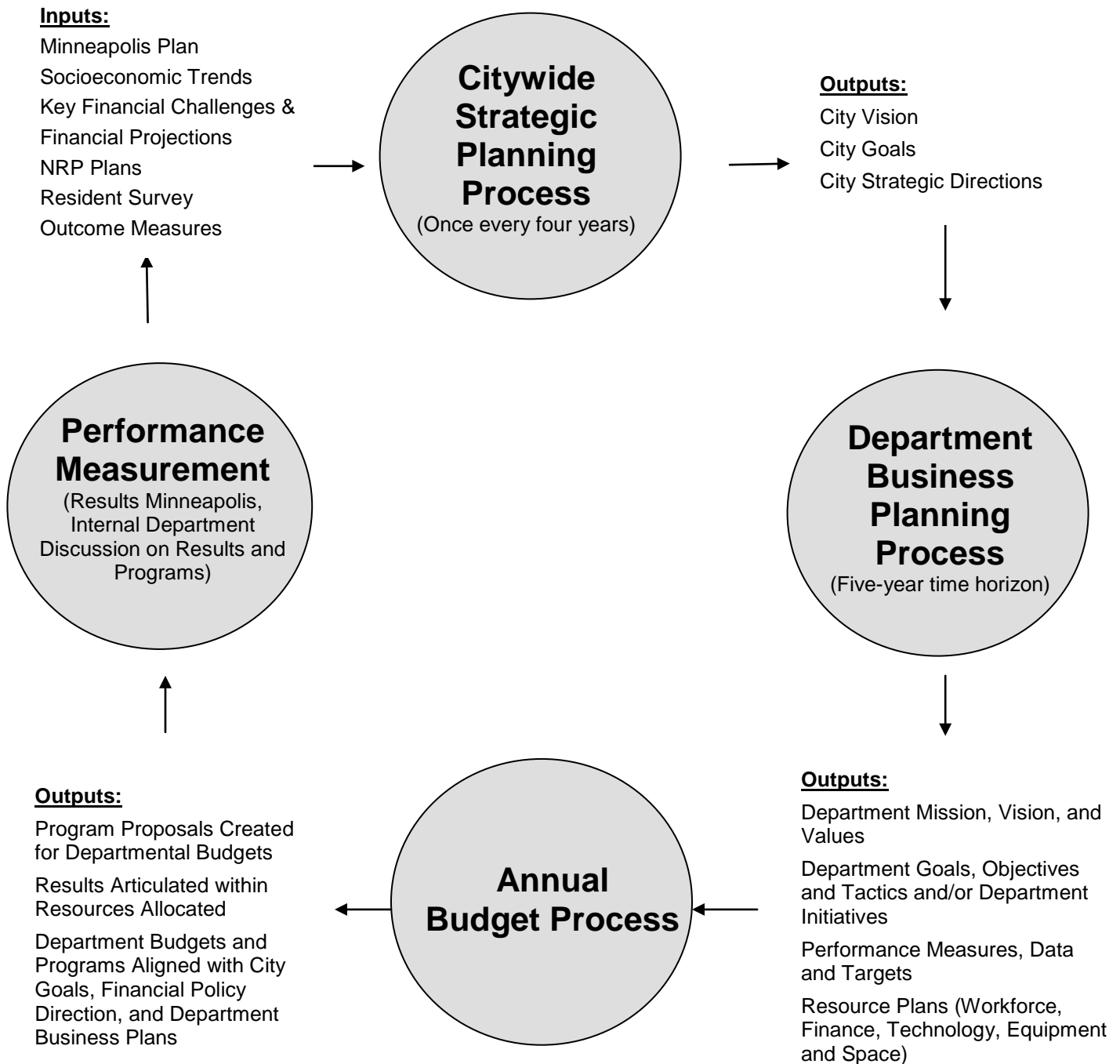
\*\*The Mayor's Budget Recommendation may contain layoffs, which will necessitate implementation of the job bank by November 1, 2011 to avoid even deeper cuts in 2012.

# FINANCIAL/BUSINESS DECISIONS CALENDAR



## INTEGRATING KEY CITY PROCESSES

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## **City of Minneapolis 2012 Budget Integrating Key City Processes**

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Setting priorities for the City is one of the most important responsibilities Minneapolis' elected officials have. These priorities are articulated and discussed through a number of different means: Citywide strategic planning, department business planning, the annual budget process, and performance measurement.

The diagram on the previous page illustrates the linkages among these key City processes. By fully integrating strategic planning, business planning, budgeting and performance measurement, Minneapolis has the opportunity to change the way it plans for the future and to ensure its efforts and resources are aligned in the same direction.

### **Citywide Strategic Planning**

Strategic planning is a process in which an organization sets its long-term future direction. It is a tool for assessing its current and future environment and for ensuring the organization's energies are focused toward achieving strategic goals.

In April 2010, the Mayor and the City Council adopted a new set of City Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and the five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking: "Does this support the City's strategic plan?"

### **Department Business Planning**

The development of the Citywide strategic plan is intended to provide clear direction for departments' business planning efforts. Through the planning and budgeting processes, departments are given direction as to City priorities and their projected level of resources over the next several years, and now have the opportunity to structure their work accordingly. A department's business plan will articulate the alignment of its services with the Citywide strategic plan.

Business planning is a process that provides both strategic and tactical direction to City departments. A business plan is a mid-range plan (5-year planning horizon) that aligns department services with City strategic goals. A business plan addresses what the department does; what it is trying to achieve; how to achieve it; what resources to use; and how it will know when it has been successful.

### **Long-Term Timeline for Business Planning**

The City has moved from asking departments to complete annual re-writes of their business plans to the development of one five-year 2010-2014 Business Plan accompanied by annual updates as needed at the end of each year following the adoption of the budget.



	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
2012												Business Plan Annual Update
2013											 Election	Business Plan Annual Update
2014		City Goals & Strategic Directions Developed							Departments write 5-year 2014-2018 Business Plans			
2015	Council Approval of Business Plans											Business Plan Annual Update

### The Annual Budget Process

Minneapolis’ annual budget process is when the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. Through the further integration of the City’s planning, budgeting and performance measurement processes, it is expected that the decisions surrounding the budget process will be better informed. The business plans provide greater clarity of the hoped-for future direction of departments, and performance measurement helps assess whether current strategies are yielding those expected results.

As stated above, during the planning and budgeting process, departments are given the projected level of financial resources to expect over the next several years and plans are adjusted accordingly.

### Performance Measurement

Performance Measurement is the means we use to monitor our progress toward both our City and department goals. A successful performance measurement system can lead to continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees.

Performance measures can assist in keeping budget discussions focused on expected outcomes, allowing for greater creativity in how those outcomes are achieved. Finally, performance measures can give both the policy makers and department management the language they need to have a discussion about what resources are needed and why.

In addition to incorporating performance measures into the budget process, the City discusses measures weekly in *Results Minneapolis*. *Results Minneapolis* is a performance measure accountability effort whereby each City department stands before a peer review panel at least semi-annually to discuss progress on the department’s most critical outcome measures.



### **What is “Results Minneapolis?”**

*Results Minneapolis* is a management tool Minneapolis city leaders use to monitor progress and offer strategic counsel toward achieving the City’s recently adopted five-year goals and 20-year vision. The six city goals are:

**A Safe Place to Call Home** – People and businesses thrive in a safe and secure city.

**Livable Communities, Healthy Lives** – Our built and natural environment adds character to our city, enhances our health and enriches our lives.

**Eco-Focused** – Minneapolis is an internationally recognized leader for a healthy environment and sustainable future.

**Jobs & Economic Vitality** – A world-class city and 21<sup>st</sup> century economic powerhouse.

**Many People, One Minneapolis** – Inclusiveness is a treasured asset; everyone’s potential is tapped.

**A City that Works** – Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government.

A review panel of city leaders meets with a different department head each week to track progress and discuss strategies on key performance measures. The discussions are meant to be probing, informative and at all times constructive. By regularly tracking performance data at “progress conferences,” city leaders can identify areas where the City is excelling, as well as opportunities for improvement.

*Results Minneapolis* is patterned after the Citistat program, a nationally recognized accountability tool pioneered in Baltimore. The method was originally based on ComStat, which was developed by the New York City Police Department and helped reduce crime through accountability sessions.

### **How *Results Minneapolis* is better helping us meet our goals**

After several years of business planning and performance measurement at the City, *Results Minneapolis* provides the next step in institutionalizing a results-focused, accountable and more transparent government. Monitoring performance helps City decision-makers to be more effective by providing the information they need to proactively implement management changes for improved results. *Results Minneapolis* ensures that all managers are focused on achieving common outcomes and resources are aligned with the greatest needs of the City.

### **Public reporting of our measures**

While performance data has for years been publicly available City’s budget document, the City developed a more “public-friendly” website ([www.minneapolismn.gov/results](http://www.minneapolismn.gov/results)) in 2008 with the help of residents to share the City’s key performance information. This website is the residents’ window for monitoring the City’s progress on the critical areas that residents care about most.

**City of Minneapolis  
2012 Budget**

**Department 2010-2014 Business Plan Goals  
And Related City Goals**

**City Goals Reference Key:**

**Goal 1                    A Safe Place to Call Home**



**Goal 2                    Livable Communities, Healthy Lives**



**Goal 3                    Eco-Focused**



**Goal 4                    Jobs & Economic Vitality**

















**Goal 5                    Many People, One Minneapolis**













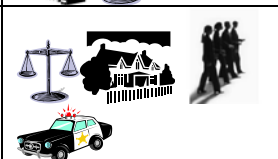























**Goal 6                    A City that Works**

























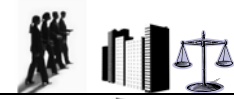







<b>Department</b>	<b>Department Goals</b>	<b>Related City Goal(s)</b>
<b>311</b>	311 prepared to handle any question or service a customer may have	
	Customer facing city services and business processes are continuously improved	
	311 is recognized as the primary portal to City nonemergency information and services	
	311 will be managed toward operational excellence - people, process and technology – to deliver the best customer service	
<b>Assessor's Office</b>	The Assessor's office is transparent in interactions with stakeholders and accountable for assuring all valuations are fair equitable and defensible.	
	Department efforts result in both incremental and breakthrough process improvements	
	Department employees are high-performing engaged and empowered	
	The department's institutional knowledge is maintained through training, mentoring and coaching	
	Technology based business solutions improve our efficiency and effectiveness	
<b>City Attorney's Office</b>	Domestic violence deterred through the "Minneapolis Model"	

	Reduce repeat livability crime to create welcoming neighborhoods and a thriving downtown	
	Violent crimes are aggressively prosecuted	
	Enhance the effectiveness and efficiency of the criminal justice system	
	Provide high quality legal services to better inform client decision making and achieve desired results	
	Minimize civil liability of City	
<b>City Coordinator's Office</b>	All our work supports better results on City goals & directions through smart and creative use of all resources, high-quality measurement data and strong connections to funding priorities	
	Good management tools are tested, available and used for process improvement, innovation and idea generation, and overall organizational development	
	Our partners and the reach of strategic partnerships –internal and external to government – grow exponentially in coming years	
	Sustainable is both our watchword and the way we do everything	
	Departmental or divisional silos disappear and cross-departmental collaboration in solving public problems is the City's cultural norm	
	The City's arts goals are clearly defined and communicated, and central to strengthening our economy through art & artist support and coordination	
<b>Civil Rights</b>	Enforce the Minneapolis Civil Rights Ordinance	
	Enforce the Minneapolis Civilian Police Authority Ordinance	
	Monitor employment/hiring goals for contractors supplying the city with goods, services and construction activities.  Monitor small and underutilized business participation on city-assisted contracts  Monitor contractor compliance with federal and city wage mandates	

<b>Communications</b>	Deliver open transparent access to City news and information	
	Manage the City's image so that Minneapolis is recognized as safe, green, healthy, vital, diverse and well-managed	
	Partner with City departments and leadership to foster an engaged and informed City workforce	
	City's Communications strategies and tools continuously evolve and improve to match emerging trends and best practices	
<b>CPED</b>	Plan and develop a vibrant, sustainable community	
	Promote Private Sector Growth to build a healthy economy	
	Promote economic self-sufficiency for individuals and families	
	Develop and preserve lifecycle housing throughout the city	
<b>Convention Center</b>	MCC is a safe environment for employees and visitors	
	MCC uses resources efficiently	
	MCC delivers quality products and services	
	MCC has a superior work culture that is employee focused and client-centered	
	MCC is recognized as a hospitality asset for the community and region.	
<b>Finance</b>	Reduce and minimize loss and risk exposure to the City and protect City assets	
	Optimize insurance values	

	Reduce accidents involving City employees, and maintain a safe and productive workforce	
	City decision-makers receive and make decisions based on strategic financial information	
	Departments manage and prioritize resources to provide services to Minneapolis residents and other City departments	
	The City plans for and makes effective use of available financial and personnel resources	
	City staff is able to follow user-friendly processes for development of annual operating and capital budgets	
	City debt is managed actively to take advantage of market conditions	
<b>Fire Department</b>	The department is committed to the mitigation of emergency occurrences and in limiting the negative impact of emergencies when they do occur, by providing education which is culturally sensitive, focused on saving lives, fire prevention and other general safety tips	
	Every dwelling has a smoke detector and CO2 monitor	
	Explore other business models of service delivery to identify innovative opportunities and initiate changes to improve the efficiency and effectiveness of operations	
	Maintain a state of readiness at all times no matter what event or incident triggers a suppression or rescue call	
	Promote employee safety, health and fitness as top priorities	
	Foster life long learning to meet the ever evolving changing public needs and expectations	
	Improve dept's capacity to better adapt to economic challenges, changing expectations/ accountabilities and new technology	
	Proactively foster relationships with all City departments	
	Maintain and maximize the use of the state of the art Emergency Operations Training Facility (ETOF)	
	Identify and implement technology based solutions to improve the efficiency and effectiveness of our services and programs	
<b>Health and Family Support</b>	Strong Urban Public Health Infrastructure	
	Healthy weight through active living and healthy eating	
	Healthy sexuality and relationships	

	Thriving and Violence Free Youth	
	A Healthy Start to Life and Learning	
<b>Human Resources</b>	An environment exists where City employees are motivated to contribute to organizational success	
	The City work environment values, respects and embraces diversity and inclusion	
	The City has a comprehensive approach to performance management that effectively aligns the individual contributions of employees to the accomplishment of citywide goals	
	The City is a continuous learning and development organization	
	HR strategy, policies and enterprise systems are progressive and support innovation, continuous improvement and effective utilization of City services & resources	
	Labor strategy supports City goals and collaborative labor management relationships	
<b>Intergovernmental Relations</b>	Resources will be found to fund city priorities	
	Grants Management resource for city departments	
	Achieve federal and state legislative agenda	
	Maintain and strengthen existing partnerships and where appropriate develop new ones	
	Cultivate Met Council relationship	
<b>Neighborhood And Community Relations</b>	Stakeholders are engaged and have the information they need to participate in neighborhood, community and City discourse, processes and opportunities	
	Empowered, inclusive and valued neighborhood organizations	
	City government is understandable, and services and programs are obtainable and equitable for all residents	

	Thriving, safe, sustainable and livable neighborhoods	
<b>Police Department</b>	Citizens have confidence in and trust their police force	
	A department which is a national leader in police innovation.	
	People in our community feel safe	
	A department which is a national leader in reduction of domestic violence	
	A department which is a national leader in addressing gang crime	
<b>Public Works</b>	A work environment that supports, empowers, develops and engages our employees	
	A work environment where continuous improvement is the culture	
	Infrastructure is managed in a sustainable manner, consistent with policy goals established by the council	
	Interaction with Public Works is a courteous, professional and responsive experience	
<b>Regulatory Services</b>	Through emergency preparedness, regulatory enforcement and education, Minneapolis properties (commercial and residential), streets and neighborhoods are safe for residents and visitors	
	Outdoor and indoor spaces are free of health hazards with residents making healthy choices	
	Minneapolis is considered a livable and inviting community to residents and visitors alike.	
	Regulatory Services is continually seeking means to improve our employees and the delivery of services to our customers	



**Ranked City Program Proposals by Goal Area (General Fund, in Alphabetical Order by Submitting Department)\***

**A City that Works**

<b>Program Name</b>	<b>Department</b>
311	311
Assessor's Tax Court Litigation/Trial Team	Assessor
Minneapolis Assessor's Office	Assessor
City Web Presence	BIS
Digitize the City	BIS
Employee Collaboration Environment	BIS
Employee Computing Mobility	BIS
Enterprise Architecture	BIS
Minneapolis Information Commons	BIS
Business Process Improvement Initiative	City Coordinator
City Coordinator's Office-Strategic Advising, Administration and Results Management	City Coordinator
Board of Appeal and Equalization	City Council & Clerk
City Records Center	City Council & Clerk
Council Staff - Policy Development	City Council & Clerk
Legislative Support	City Council & Clerk
Records & Information Management	City Council & Clerk
Innovation and Leadership-Tools and Training	Communications
Internal Communications	Communications
Proactive Communication	Communications
Transparency in Government	Communications
Accounting, Reporting and Department Services	Finance
Administer Utility Billing System	Finance
Enterprise Resource Planning System	Finance
Investment, Cash Management, Receivables and Cash Receipting	Finance
Order, Buy and Pay for Goods and Services	Finance
Pay Employees	Finance
Strategic Financial Services	Finance
Community health assessment, engagement and policy	Health & Family Support
Administration (HR)	Human Resources
Classification	Human Resources
Compensation	Human Resources
Human Resources Technology Solutions (HRTS)	Human Resources
Labor Relations	Human Resources
Management Consulting (HR Generalist Teams)	Human Resources
Recruiting Services	Human Resources
Robust Diversity and Inclusion Management	Human Resources
Training & Development	Human Resources
Consolidated Plan/Federal and State Grant Management General Fund	IGR
Enterprise Support-Partnerships	IGR
Government Relations-Federal	IGR
Government Relations-State	IGR
Internal Audit	Internal Audit
Enterprise Engagement Support	NCR
Public Works Administration	Public Works

*\*Comprehensive list of all department program proposals, including those not funded.*

### Eco-Focused

<b>Program Name</b>	<b>Department</b>
Office of Sustainability	City Coordinator
Green and Healthy Homes; Aligning grant resources for greater impact	Health & Family Support
Homegrown Minneapolis Phase III	Health & Family Support
MDHFS Healthy Homes Outreach, Education and Blood Lead testing	Health & Family Support
Environmental Services	Regulatory Services
Reg Services Healthy Homes and Residential Lead Hazard Control	Regulatory Services

### Jobs & Economic Vitality

<b>Program Name</b>	<b>Department</b>
Strategic Partnerships	City Coordinator
Contract Compliance	Civil Rights
Supplier Diversity/Target Market	Civil Rights
Racial Disparities in Employment (RENEW)	CPED
Regional Planning and Development	CPED
Small Business Assistance Center	CPED
Minneapolis 5000	Human Resources/Civil Rights
Special Service Districts including DID	Public Works
Minneapolis Development Review	Regulatory Services

### Livable Communities, Healthy Lives

<b>Program Name</b>	<b>Department</b>
Arts Coordination in the Community and the City Enterprise	City Coordinator
Art in Public Places	CPED
Community Stabilization Program	CPED
Corridor Vitality Investment Program	CPED
Protection, Preservation and Design of the Built and Natural Environment	CPED
Homegrown Minneapolis – Local Food Initiatives: Business Development Center Component	CPED/Health & Family Support
Infant and Early Childhood Services	Health & Family Support
Obesity Prevention	Health & Family Support
Senior Services	Health & Family Support
Senior Initiative: Preparing for an aging population	Health & Family Support/NCR
Bridge Maintenance & Repair	Public Works
Improve the Bicycle Program	Public Works
Improved Winter Pedestrian Access	Public Works
Malls & Plazas	Public Works
Ramp Maintenance & Repair	Public Works
Snow and Ice Control	Public Works
Street Lighting	Public Works
Street Maintenance & Repair	Public Works
Traffic	Public Works
Transportation Planning and Management	Public Works

### Many People, One Minneapolis

Program Name	Department
Digital Inclusion	BIS
Appointed Boards & Commissions	City Council & Clerk
City Council	City Council & Clerk
Council Staff - Constituent Services	City Council & Clerk
Domestic Partnership Registry	City Council & Clerk
Elections Administration	City Council & Clerk
Minneapolis Civil Rights Complaint Investigations Program	Civil Rights
Minneapolis E-RACED Program	Civil Rights
Public Access Television	Communications
It's All About Kids	CPED
Minneapolis Youth Program	CPED
Health Care Safety Net	Health & Family Support
Perinatal Initiatives	Health & Family Support
School Based Clinic Program	Health & Family Support
Teen Pregnancy Prevention	Health & Family Support
Youth Development	Health & Family Support
Access and Outreach	NCR

### A Safe Place to Call Home

Program Name	Department
Community Attorney Prosecution Program	Attorney
Criminal Prosecution	Attorney
Minneapolis Civilian Police Review Authority (CRA) - Current	Civil Rights
Minneapolis Civilian Police Review Authority (CRA) NEW	Civil Rights
Communications Team: Equipped for an Emergency	Communications
Video	Finance
Fire Department Training and Recruitment	Fire
Fire Department: Code Inspection and Enforcement	Fire
Fire Department: Community Risk Reduction and Community Outreach	Fire
Fire Department: Fire Investigation	Fire
Fire Department: Fire Suppression, Emergency Medical Service and Emergency Rescue	Fire
Advocacy Services for Victims of Domestic Violence	Health & Family Support
Infectious Disease Prevention	Health & Family Support
Public Health Emergency Preparedness	Health & Family Support
Youth Violence Prevention (YVP)	Health & Family Support
Heading Home Hennepin - Office to End Homelessness	NCR
MPD Administration and Training	Police
MPD Community Engagement	Police
MPD Criminal Intelligence and Analysis	Police
MPD Emergency Response Services	Police
MPD Juvenile Investigations and Prevention	Police
MPD Public Safety Services	Police
MPD-Criminal Investigations Division	Police
Clean City, Graffiti Removal	Public Works
Construction Code Services (CCS)	Regulatory Services
Emergency Preparedness Services	Regulatory Services
Environmental Health	Regulatory Services
Minneapolis Emergency Communications/911 Services	Regulatory Services
On-site Traffic Control & Parking Enforcement Services	Regulatory Services
Public Safety - Animal Control	Regulatory Services
Regulatory Services Fire Inspections	Regulatory Services
Regulatory Services Housing Inspections	Regulatory Services

**INTRODUCED BY COUNCIL MEMBERS OSTROW, JOHNSON, AND LANE**

**COUNCIL RESOLUTION ESTABLISHING COMMITMENT TO  
BUSINESS PLANNING AND FIVE YEAR FINANCIAL DIRECTION**

**(January 31, 2003)**

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**Whereas:**

- The Council adopted and the Mayor approved a long-term (year 2010) property tax policy, which established the maximum annual revenue to be provided for from the property tax.
- The Council and Mayor adopted budget principles, which support long-term financial planning.
- The Council and Mayor want to provide financial resource direction, within the limits of the adopted tax policy, to departments as input into developing long-term (five-year) operating plans for the businesses of the City.
- The Council and Mayor believe that departments will be able to prepare better work force plans, and communicate anticipated service activity levels if they have better information on what to anticipate with respect to future resources.

**Now Therefore Be It Resolved as Follows by the City Council:**

- The City departments will prepare business plans with a five-year planning horizon. In connection with the 2004 budget, all departments will have a plan completed by year-end 2003. Each of these plans will be presented to the Mayor and Council for review and approval by no later than the end of First Quarter 2004.
- The Mayor, Council President, and Chair of Ways and Means/Budget Committee, and the Ways and Means/Budget Committee will provide specific direction to the departments concerning process, form, and timeline for completion of business plans.
- The City departments' business plans will reflect the allocation of general city revenues and property tax revenue provided for in the financial schedules.

**City of Minneapolis  
2012 Budget**

**Financial Policies**

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**City of Minneapolis  
2012 Budget  
Financial Policies**

**Financial Management Policies**

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**OPERATING BUDGET POLICIES**

The objective of the operating budget policies is to ensure adequate levels of essential City services at reasonable costs.

**Balanced Budget.** The operating budget for the City shall be balanced. For each fund, ongoing costs are not to exceed ongoing revenues plus available fund balances used in accordance with reserve policies.

**Self-Supporting Enterprises.** All enterprise activities of the City shall be self-supporting, including those activities contained within the Internal Service Funds. To the extent that an activity is not self-supporting, long-term financial plans shall be created to secure a self-supporting state in the future.

**Service Levels.** Performance measurement and productivity indicators for services shall be integrated into the annual budgeting process. Changes in service levels shall be governed by the following:

- **Budget Process.** The annual budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Requests for new programs should be made as a part of the annual budget process. New initiatives will be financed by reallocating existing City resources to the services with the highest priorities.
- **Personnel Expenses.** Additional personnel shall be requested only after service needs have been thoroughly documented or after it is substantiated that the new employees will result in increased revenue or enhanced operating efficiencies.
- **Grant Funded Programs.** Programs financed with grant monies shall be budgeted in special revenue funds, and the service program shall be adjusted to reflect the level of available grant funding. Individual grant budgets are controlled in the financial system at the cost category level. In the event of reduced grant funding, City funding sources shall be substituted only after all competing program priorities are considered during the annual budget process.

**Basis of Budgeting.** The basis of budgeting and accounting are the same, except as noted below. The budgets of all governmental funds are created using the modified accrual basis. Revenues are budgeted if they are measurable and available as net current assets. Major revenues that are determined to be susceptible to accrual and budgeted accordingly, include property taxes, special assessments, grants-in-aid, intergovernmental revenues, rentals, franchise fees, and intra-city charges.

Interest on investments, short-term notes and loans receivable are accrued, and budgeted. Interest on special assessments receivable is not accrued or budgeted. Major revenues that are determined not to be susceptible to accrual because they are not available soon enough to

pay liabilities of the current period or are not objectively measurable include delinquent property taxes and assessments, licenses, permits, fines and forfeitures. Delinquent property taxes are not budgeted, while the other categories are budgeted.

In the governmental funds, expenditures are generally budgeted when the related fund liability is incurred, except for principal and interest on general long-term debt, for which only the current portion is budgeted. Compensated absences, which include accumulated unpaid vacation, compensatory time and severance pay, are not budgeted, as they are not payable from expendable available resources, except for available resources in the Self-Insurance Internal Service Fund for vested severance pay. Compensated absences are considered expenditures when paid to employees. Salary expenditures are budgeted based on full time equivalents (FTEs), regardless of the type of pay.

Proprietary funds use the accrual basis, and revenues are budgeted as they are anticipated to be earned. Unbilled utility service receivables are recorded at year end. Utility service revenue estimates are based on the number of users, without a factor for delinquencies.

**Budgetary Controls.** The legal level of budgetary control is at the department level within a fund. The City Coordinator's Office, the Public Works Department and the City Clerk/Elections/City Council areas are considered to be legal levels of budgetary control within a fund even though budgetary data may be presented at lower levels. Budgetary amendments at the department/fund level must be approved by the City Council. Appropriations lapse at year end, with the exceptions of approved encumbrances.

Purchase orders, contracts, and other commitments are recorded as encumbrances, which reserve appropriation authority. Encumbrances outstanding at year end are reported as reservations of fund balance. The appropriation for these encumbrances does not automatically transfer to the following year.

**Five-Year Financial Direction.** City departments will prepare business plans with a five-year planning horizon which reflect the allocation of general City revenues, including property tax and state aid revenue. This financial direction is based upon the City's shared revenue distribution policy which aligns the revenue growth of City departments and independent boards.

**Grant Funding in the Five-Year Financial Direction.** Any application for grant funding that will provide temporary funding for personnel and requires a minimum staffing level shall require Council approval. The department requesting the fund shall determine the amount of additional City resources that will be required to fund the positions once the grant funding expires and report those estimates to the Finance Department. As a condition of accepting the funds, the Council shall identify permanent resources and amend the Five-Year Financial Direction to reflect adequate resources to retain the positions once the funding ends.

## REVENUE POLICIES

The objective of the revenue policies is to ensure that funding is derived from a fair, equitable, and adequate resource base, while minimizing tax burdens.

**Revenue Structure and Sources.** The City will maintain a stable and diverse revenue system to shelter programs and services from short-term fluctuations in any single revenue source. Services having a citywide benefit shall be financed with revenue sources generated from a broad base, such as property taxes and state aids. Services where the customer determines

the use shall be financed with user fees, charges and assessments related to the level of service provided.

**Revenue Distribution.** Major sources of revenue, including Local Government Aid (LGA) and property tax revenue, shall be treated together, allowing for changes to resources to be consistently aligned among the City and independent boards. Future increases will be aligned with available resources, and the annual percentage change in revenue available for activities of the City, Park Board and MBC will be the same for each entity.

Costs of shared services among the jurisdictions will be funded prior to determining the revenue available for general operating expenditures. These costs include closed pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, and shared administrative costs.

City and independent board priorities that require an increase for one entity above others will be clearly funded to allow for maximum transparency.

The annual adjustment in revenues available to each entity in a given budget year for general activities will be based on the projected percentage increase in the Current Service Level. The dollars available for the activities will be based on the sum of the LGA, total tax collections, and total General Fund revenues after subtracting the funding needed for the costs of shared services outlined above. Available funding will also exclude dollars transferred to other entities, including the following:

For the Park Board, it will exclude the General Fund Overhead transfer to the City, the General Fund Administration Fee transfer to the City, and the costs of Park Board Capital Improvements funded from the Park Board levy.

For MBC, it will exclude the General Fund Overhead transfer to the City.

For the City's General Fund, it will exclude the General Fund Overhead not recovered from the Park Board, MBC, and others. It also excludes transfers to other funds including approved internal service fund workout plans, the Target Center Finance Plan, one-time capital project transfers, transfers to and from the pension management plan, and the transfer to Hennepin County per the Library Agreement.

The tax revenue percentage change for the City, the Park Board, and MBC may vary from year to year based on adjustments to LGA, total General Fund revenues, and adjustments to those items excluded from general activities and adjustments to the projected change in the Current Service Level.

**User Fees.** The City shall implement user charges in lieu of general revenue sources for identified services where the costs are related to the level of service.

**Cost of Service.** The City shall establish user charges and fees at a level that reflects the service costs. Components of the user charges shall include operating and capital costs, as well as the direct and indirect costs of providing the service. Full cost charges shall be imposed unless it is determined that policy, legal or market factors require lower fees.



**Non-Resident Charges.** User fees and other appropriate charges shall be levied for City activities, services or facilities in which non-residents participate, whenever practical. Non-resident fees shall be set at market levels to minimize the tax burden on City residents.

**Enterprise Service Fees.** User charges for Enterprise Services such as water, sewer, stormwater, and solid waste collection, shall be set at rates sufficient to finance all direct and indirect operating, capital, reserve/working capital and debt service costs. Overhead expenses and general government services provided to the enterprise activities shall be included as indirect costs. Rates will be set such that these enterprise funds are not in a cash deficit during the year.

**Code Enforcement and License Fees.** These activities shall be funded through user charges that reflect the cost of the services provided, including direct and indirect expenses, to the extent legally allowable.

**Administrative Fees.** The General Fund Overhead Allocation Model will be used to recover General Fund costs attributed to all non-General Fund activities, including capital projects.

**Parking Fees.** Hourly, daily, and monthly contract rates for City-owned parking facilities shall be adjusted at least annually to reflect market prices of privately-owned parking facilities. Fee adjustments shall also consider downtown objectives, such as development incentives, space availability, business promotion, traffic control, and mass transit patronage.

**Fines.** Levels of fines shall be set according to legal guidelines, deterrent effect, administrative costs and revenue potential.

**Convention Center.** The Convention Center will develop a profit and loss statement for each event. The Center shall be managed so that operating costs are financed through user charges to the greatest extent possible within the overall mission of the Convention Center.

**Dedicated Revenues.** All non-restricted revenues shall be deposited in the General Fund and appropriated through the annual budget process. Except where required by law or generally accepted accounting principles (GAAP), no revenues shall be dedicated for specific purposes.

**Private Revenues.** All private money donated, contributed or lent to the City shall be subject to grant solicitation and acceptance procedures, shall be deposited in the appropriate City fund and accounted for as public money through the City's budget process and financial system.

**City- Administered Special Assessments.** The City Council has the authority to levy special assessments. There are three main areas of assessments:

- *Public Works:* Most common types of assessments are for sidewalks, street improvements, water and sewer line repairs and special service districts. (Assessments for unpaid utilities are handled by the City's Finance Department.)
- *Inspections:* Most common types are for rubbish removal, trees, grass and brush cutting inspection fees for inoperable vehicles towed from private property, re-inspection fees, administrative citations, vacant building registration fee and inspections, and Police boarding.

- *Park Board:* Most common types of assessments are for tree removal and parkway and sidewalk reconstruction.

**Method of Payment (Public Improvement Assessments).** Owners of benefiting properties shall have the option of paying their assessment all at once or in installments as part of their annual real estate taxes. The City Council shall determine the number of equal annual installments, not to exceed twenty, in which assessments may be paid. The City Council shall determine the interest rate to be paid annually on all unpaid installments; this rate shall not exceed the maximum rate of interest as provided for in statute (*MN Statutes*, section 429.061, Subd. 2). The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes.

**Capital Improvements Fund.** The Capital Improvements Fund is used to account for construction costs on basic governmental infrastructure projects. The fund is used to record both expenditures on projects and revenues received from outside funding sources and internal sources such as capital improvement tax levies, special assessments and proceeds of bonds issued for public infrastructure projects. All project costs not assessed shall be paid from this fund. If the amount of money raised through special assessments is insufficient to pay the maximum amount specified for the project, the balance shall be paid from the Capital Improvements Fund and offsetting revenue. City Council approval is required in order for the Capital Improvements Fund to cover insufficiencies.

**Property Disposition Fund.** The Property Disposition Fund was created in section 14.120 of City Ordinance, which requires proceeds from the sale of City property to be deposited into a Property Disposition Fund. The proceeds of this fund are to be used for implementing the City's strategic real estate plan, as developed and approved by the Facilities, Space, and Asset Management Committee.

**Uniform Assessment Rate.** The Uniform Assessment Rate is a standardized rate applied in street construction and street renovation projects. Assessments shall be part of the funding for all street paving construction/reconstruction projects for which the City is to bear any part of the cost, except for freeways. This rate shall be applied to the square footage per parcel in the project area to arrive at an assessment cost for each benefited property. The goal of the rate is to ensure an equitable distribution of costs between projects and to assess approximately 25% of project costs. The Uniform Assessment shall be calculated annually and submitted to the City Council's Transportation and Public Works Committee for approval. Separate rates must be established based on the type of project (construction or renovation), funding category (local or other) and benefited parcel category (non-residential or residential).

This rate shall be calculated no later than the end of September in the year preceding the commencement of project construction. Public Works and Finance shall review this rate annually to ensure it accurately reflects project costs. The uniform assessment rate used for public notification shall reflect the year in which the project is constructed. If the public notice has already been given for a project and the project is delayed into the following construction year, the uniform assessment rate in place at the time of public notification will be used and Public Works shall identify any gaps in project funding as a result of using the prior year's rate and identify the source of funding for the possible financial shortfall. If the source of funding for the shortfall exceeds the project contingency, City Council must approve the funding source. If a project delay is in excess of one construction season, a new public notice shall be given and a new public hearing held.

**Tax-Forfeited Properties.** A portion of nuisance abatement special assessments may be cancelled for tax-forfeited properties.

- *Tax-forfeited properties sold to the general public –*
  - The portion of a property’s post-forfeiture special assessments, pending assessments and charges in excess of fair market value shall be cancelled if Hennepin County has not sold the property within 90 days of the property’s first offering to the public; and
  - The City will waive its right to assess or reassess pre-forfeiture and post-forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapters 227 and 249, and similar provisions of the Minneapolis Code of Ordinances.
  
- *Tax-forfeited properties located in targeted neighborhoods and purchased by the City for redevelopment purposes –*
  - The portion of a property’s post-forfeiture special assessments, pending assessments and charges in excess of fair market value shall be cancelled; and
  - The City will waive its right to assess or reassess pre-forfeiture and post-forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapters 227 and 249, and similar provisions of the Minneapolis Code of Ordinances.

**Work for Others and Grant Funding.** When tax and non-tax funds have appropriations based on income from Special Independent School District No. 1, government authorities, grants, donations or contracts, expenditures shall be limited to the amounts which can be supported by billings. Billings must be accompanied by an agreement with this granting authority. City officials should treat billings, grants and aids as revenues only to the extent they are collectible, or authoritatively assured.

**RESERVE POLICIES**

The objective of the reserve policies is to provide adequate working capital for cash flow and contingency purposes, while maintaining reasonable tax rates.

**Cash Flow and Contingency.** The City shall maintain a minimum unallocated General Fund balance of 15% of the following year’s revenue budget amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs.

General Fund*	2009	2010	2011
Fund Balance - Policy	\$55.7	\$58.9	\$56.9
Fund Balance - Actual	\$68.3	\$61.4	\$63.0

\* in millions; 2011 amounts are based on projections; 2011 General Fund policy does not include transfers in.

To the extent that unusual contingencies exist as a result of state or federal aid uncertainties, or other highly variable factors, a balance larger than this minimum amount may be maintained.

These funds will be used to avoid cash flow interruptions, generate interest income, avoid the needs for short-term borrowing, and assist in maintaining a triple-A bond rating.

In the event a balance larger than the minimum amount exists as a result of state or federal aid, salary settlements, or other unknowns provided for in the budget, the City shall evaluate the need to transfer cash to the Internal Service Funds of the City to help reduce the negative cash balances or increase the net asset balances in these funds. When financial stability is returned to the Internal Service Funds of the City, the City shall reevaluate the Cash Flow and Contingency policy statement. Specifically, future changes shall address the level of balance that may be maintained above the minimum "base." [Internal Service Fund commitment adopted in December 2000, reaffirmed in 2006.]

Appropriate operating contingency reserves shall be maintained to provide for business interruption costs and other unanticipated expenditures of a non-recurring nature. Appropriate capital fund reserves shall also be maintained in enterprise funds for emergency improvements relating to new regulations, or emergency needs for capital repair or replacement.

For all other funds, appropriate balances shall be maintained reflecting the nature of the accounts, including the following:

**General Fund Operating Contingency.** Separate from the unallocated general fund reserve balance, the City shall budget an operating budget contingency of not less than 1% of all budgeted general fund expenditures in each of the applicable years planned for in the City's Five-Year Financial Direction.

**Special Assessment Funds.** The appropriate balance shall be the amount needed for revolving fund cash flow purposes.

**Enterprise Funds.** The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions. Where cost-effective access to capital markets is available and debt financing is regularly used, replacement balances shall not be maintained so current consumers are not required to pay for future facilities. The City shall maintain a minimum cash balance in its Enterprise Funds equal to approximately three months of operating expense.

Enterprise Fund Cash Requirements*	2009	2010	2011
Sanitary Sewer Fund - Policy	\$9.6	\$10.0	\$10.4
Sanitary Sewer Fund - Actual	\$9.6	\$12.5	\$13.6
Stormwater Fund - Policy	\$4.5	\$4.4	\$5.1
Stormwater Fund - Actual	\$14.4	\$22.7	\$16.6
Solid Waste Fund - Policy	\$7.0	\$7.4	\$7.6
Solid Waste Fund - Actual	\$18.5	\$21.9	\$21.5
Water Fund - Policy	\$11.5	\$11.9	\$11.3
Water Fund - Actual	-\$2.0	\$11.6	\$15.9
Parking Fund - Policy	\$6.5	\$10.8	\$10.7
Parking Fund - Actual	\$13.2	\$12.8	\$9.4

\* in millions; 2011 amounts are based on projections

**Internal Service Funds.** The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions.

- *Self-Insurance Fund* shall maintain a cash balance equal to the unpaid claims payable amount on its balance sheet plus 10% of the annual department operating budgets within the fund. Net assets within the fund should not fall below zero.
- *Fleet Services, Business Information Services and Property Services Funds:* If allocation model charges to customers are sufficient to cover debt service or depreciation expense then the minimum cash balance should be 15% of the fund's operating budget. If not, the reserve should be 15% of the fund's total budget. Net assets shall not fall below two times the fund's annual depreciation amount.
- *Stores and Engineering Materials & Testing Fund* shall maintain cash and net assets equal to 15% of the fund's annual operating budget.

<b>Internal Service Fund Balance Requirements*</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Self Insurance Fund Cash Balance Policy	\$44.6	\$44.7	\$49.8
Self Insurance Fund Cash Balance Actual	<b>\$29.0</b>	<b>\$42.1</b>	<b>\$45.7</b>
Self Insurance Fund Net Asset Policy	\$0.0	\$0.0	0.0
Self Insurance Fund Net Asset Actual	<b>-\$15.4</b>	<b>-\$6.6</b>	<b>-\$2.0</b>
Fleet Services Fund Cash Balance Policy	\$3.8	\$4.3	\$4.3
Fleet Services Fund Cash Balance Actual	<b>\$1.4</b>	\$8.2	\$10.3
Fleet Services Fund Net Asset Policy	\$12.3	\$12.9	\$12.6
Fleet Services Fund Net Asset Actual	\$26.5	\$30.6	\$35.6
Business Information Services Fund Cash Balance Policy	\$5.9	\$5.5	\$6.0
Business Information Services Fund Cash Balance Actual	<b>\$0.8</b>	\$8.4	\$11.5
Business Information Services Fund Net Asset Policy	\$16.8	\$22.1	\$21.6
Business Information Services Fund Net Asset Actual	<b>\$13.7</b>	<b>\$16.9</b>	\$23.4
Property Services Fund Cash Balance Policy	\$2.4	\$2.5	\$2.5
Property Services Fund Cash Balance Actual	<b>\$0.4</b>	<b>\$0.1</b>	<b>\$1.2</b>
Property Services Fund Net Asset Policy	\$2.3	\$2.3	\$2.3
Property Services Fund Net Asset Actual	\$27.2	\$26.0	\$25.9
Stores Fund Cash Balance Policy	\$0.2	\$0.2	\$0.2
Stores Fund Cash Balance Actual	<b>-\$1.6</b>	<b>-\$0.8</b>	<b>-\$1.1</b>
Stores Fund Net Asset Policy	\$0.2	\$0.2	\$0.2
Stores Fund Net Asset Actual	\$3.2	\$3.2	\$3.2
Engineering Materials & Testing Fund Cash Balance Policy	\$0.3	\$0.2	\$0.2
Engineering Materials & Testing Fund Cash Balance Actual	\$0.6	\$0.8	\$1.3
Engineering Materials & Testing Fund Net Asset Policy	\$0.3	\$0.2	\$0.2
Engineering Materials & Testing Fund Net Asset Actual	\$0.5	\$0.7	\$1.2

\* in millions; 2011 amounts are based on projections

**Use of Fund Balances.** Available fund balances shall not be used for ongoing operating expenditures, unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one-time uses that achieve future operating cost reductions. Fund balance is the cumulative years' excess or deficit of all revenues and expense. In the case of proprietary funds, this is termed unrestricted net assets. For the purposes of the budget, revenue and expense activity includes bond proceeds and debt service.

**Annual Review.** An annual review of cash flow requirements and appropriate fund balances shall be undertaken to determine whether modifications are appropriate for the reserve policy.

## **ACCOUNTING POLICIES**

The objective of the accounting policies is to ensure that all financial transactions of the City and its boards, commissions, and agencies conform to the City Charter, Minnesota statutes, grant requirements, the principles of sound financial management and generally accepted accounting principles (GAAP).

**Accounting Standards.** The City shall establish and maintain accounting systems according to GAAP, which are set by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The central system shall be used for financial transactions of all City departments, boards, and independent agencies.

**Disclosure and Monitoring.** Full disclosure is provided in all financial statements and bond representations. Financial systems are maintained to monitor expenditures and revenues on a daily, monthly, and year end basis. A Comprehensive Annual Financial Report (CAFR) is published by the City within six months of the following year.

## **INVESTMENT POLICIES**

The investment policies of the City of Minneapolis are fully delineated in the Investment Guidelines Policy 01.P.01 approved by the Minneapolis City Council effective March, 2001. The policies maintain that all funds available for investment shall be invested according to the standards captured within the adopted policy, which have been simplified and outlined in the following paragraphs below. Relative to all considerations, a depository institution's domicile may be a factor with which investment decisions of the City are made.

The objective of the investment policies is to ensure that revenues received by the City are promptly recorded and deposited in designated depositories. If not immediately required for the payment of obligations, revenues shall be placed in authorized investments. Funds shall be deposited only in the types of investment instruments authorized by the City's Financial Management Policies, *Minnesota Statutes*, Chapter 118A, and City Council resolutions. Investments by the City shall conform to the following investment principles:

**Safety.** Safety of principal is the City's foremost objective. Each investment transaction shall seek to first ensure that capital losses are avoided, whether from securities defaults or from erosion of market value.

**Liquidity.** The City's investments shall be structured to provide liquidity to meet its obligations in a timely manner without loss of principal.

**Yield.** The investment portfolio shall be designed to attain a market-average rate of return through budgetary and economic cycles, taking into account the City's investment risk constraints, cash flow characteristics, and safety of principal.

**Diversification.** The City shall diversify its investments to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, a business sector (excluding U.S. Treasuries), a specific issuer or a specific class of securities.

**Maintaining the Public Trust.** The investment program shall be designed and managed with professionalism worthy of the public trust. The best investment vehicles for the City's objectives shall be sought through competitive processes. Investment officials shall avoid any transaction that might impair public confidence in City government.

**Use of Derivatives.** Derivative securities shall only be used after careful evaluation by knowledgeable staff regarding the benefits of the instruments as well as all of the associated risks including counterparty credit, market, settlement and operating risk. Internal controls shall be established to ensure adequate management for each type of derivative.

**Standard of Care.** The "prudent person" standard shall be applied in the context of managing the overall investment portfolio. Investment officers, acting in accordance with fiduciary standards and written procedures, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

**Internal Controls and Safekeeping.** The City Finance Officer shall establish a written system of internal controls. To protect against potential fraud and embezzlement, assets of the City shall be secured through third party custody and other safekeeping procedures. The City shall authorize the custodian financial institution to utilize security lending to maximize return on investments. Bearer instruments shall be held only through third party institutions. Investment officials shall be bonded.

**Reporting.** The City shall prepare an investment report describing the characteristics of the portfolio, including a summary of recent market conditions, investment performance and investment strategies. This report will be included with the quarterly financial reports that are presented to the City Council and Mayor.

**Restricted Investments.** From time to time the City Council may decide to limit or prohibit investments in securities of companies that do business with or engage in economic development in certain regions or entire countries of the world. These restrictions will expire three years from the initiation of the restriction unless it is re-authorized by the City Council. Finance will notify the City Council sixty days prior to the scheduled expiration. The City currently does not invest in the following countries: Northern Ireland, Burma (Myanmar), and Sudan. The prohibition from investing in these three countries shall expire at the end of 2013 unless renewed by subsequent Council action. The policy of divestment from South Africa shall end at the end of 2010.

## **DEVELOPMENT FINANCE AND TAX INCREMENT POLICIES**

The objective of the development finance and tax increment policies is to provide public assistance to community development efforts in a manner that balances costs against benefits.

In addition to the City's Financial Management Policies, detailed guidelines have been adopted by the City to manage specific development resources and programs.

To the greatest extent possible, all development activities shall be self-supporting. City staff shall identify sufficient public and private resources at the time a project is approved to ensure feasible completion and operation of the project. All development financing proposals shall be reviewed to ensure that the proposed finance plan is reasonable, balanced, and the best means by which to achieve City objectives, while adequately protecting citywide financial interests.

### ***Tax Increment Policy.***

***Purpose of Policy.*** This Tax Increment Policy has been approved by City Council for the following purposes:

- To guide staff in forming recommendations regarding the use of tax increment financing and negotiating contract terms with developers.
- To provide a framework within which the City Council and Mayor can evaluate and compare proposed uses of tax increment financing.
- To inform the public of the City's position on the use of tax increment financing and the process through which decisions regarding the use of the tool are made.

This policy supersedes the Tax Increment Policy approved by City Council on March 22, 2002 and revised on January 1, 2004, and earlier versions of said policy. This policy became effective on April 1, 2005.

***Development Objectives.*** The City uses tax increment financing to accomplish these major objectives:

- Expand the Minneapolis economy to create more living-wage jobs, with an emphasis on providing job opportunities for the unemployed and underemployed.
- Attract and expand new and existing services, developments and employers in order to position Minneapolis and the region to compete in the economy of the 21<sup>st</sup> century.
- Increase the City's property tax base and maintain its diversity. Clean contaminated land to provide sites for uses that achieve City redevelopment objectives.
- Provide an array of housing choices that meet the needs of current residents and attract new residents to the city, with an emphasis on providing affordable housing.
- Eliminate blighting influences throughout the City.
- Support neighborhood retail services, commercial corridors and employment hubs.



- Support redevelopment efforts that enhance and preserve unique urban features and amenities, including downtown, the riverfront and historic structures.

***General Guidelines in the Use of Tax Increment Financing.***

- The City will comply with all requirements of the Minnesota Tax Increment Financing Act, as amended. The City will undertake a rigorous analysis to ensure that the proposed project satisfies the “but for” test embodied within the Tax Increment Financing Act.
- The City will use tax increment financing only when a clearly identified City development objective is served and only to the degree necessary to accomplish that development objective.
- Tax increment financing will only be used in cases where the City has the financial capacity to provide the needed public assistance, the City Council deems it fiscally prudent to provide such assistance and the developer can clearly demonstrate that the development will be able to meet its financial and public purpose commitments.
- The City will recapture the public subsidy to the maximum extent feasible after allowing the developer a reasonable return.
- Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate. The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment used to pay all or a portion of the debt service on the bonds is either fully constructed and assessed by the City Assessor or is underway and subject to the terms and conditions of a development agreement with the City.
- Only those public improvements and public redevelopment costs directly associated with or needed to service the proposed development plan or project should be financed through tax increment.
- The City will analyze each potential new tax increment financing district and recommend whether it should be included in or excluded from the fiscal disparity contribution. The impact of the fiscal disparity election on the City’s general tax base will be analyzed using the methodology prescribed by the Minnesota Department of Revenue and will be reported to the City Council in a manner understandable to the general public prior to approval of the proposed use of tax increment financing.
- As part of the annual budget process, the City will identify tax increment revenues deemed to be excess tax increment and will make related recommendations for decertification of parcels or districts and report on the total value of captured tax capacity expressed in both dollars and as a percentage of total tax capacity.

### ***Economic Analysis and Risk Assessment Process.***

- Proposed uses of tax increment financing will be subject to rigorous economic analysis and risk assessment. City Finance Department staff will be responsible for overseeing the analysis and assessment process. Consultants will be used to complete needed analysis and assessment as appropriate.
- The analysis and assessment of all proposed uses of tax increment financing will address the following questions as part of the standard format for reports to the City Council:
  - What is the public purpose of the financial assistance to the project?
  - Why is there a financial need for public investment and/or subsidy?
  - What is the total cost of the project?
  - What is the appropriate level of public participation?
  - What are the risks associated with the project?
  - What are the alternative plans for managing the risk?
  - How does the proposed project finance plan compare with previously approved comparable projects?
  - What is the project's impact on other publicly financed projects?
- The results of the economic analysis and risk assessment will be presented to the City Council at the time of the request for approval of the proposed use of tax increment financing. The report will identify any elements of the proposed project that are not in conformance with this Tax Increment Policy.
- Projects with an anticipated term of increment collection greater than 15 years or projects with tax increment principal in excess of \$10 million will be subject to a more extensive analysis, including appropriate market analysis and review by City Finance Department staff.

***Evaluation Criteria.*** The following items will be taken into consideration in the evaluation of any development proposal requesting tax increment assistance.

- ***Need For Public Assistance.*** In all cases, it is required that the need for public assistance be demonstrated and documented by the developer to the satisfaction of the City Finance Department. All such documentation, including development budgets, cash flow projections, market studies and other financial and market information, must be submitted by the developer along with an application for public financial assistance. If the request is based on financial gap considerations, the developer will demonstrate the profitability and feasibility of the project (*i.e.* gross profit, cash flow before taxes, cash-on-cash return, internal rate of return (IRR), etc.), both with and without public assistance.
- ***Amount of Public Assistance versus Private Investment.*** All development proposals should seek to maximize the amount of private investment per dollar of public assistance. Public assistance as a percentage of total development costs will be determined for each project (or discrete portion of a project receiving a subsidy) and compared to other development projects or subprojects of similar scope and

magnitude whenever possible.

- **Term of Public Assistance.** The term of the public assistance shall be kept to a minimum. The proposed term of any public assistance shall be fully documented and explained to the City Council.
- **Development Benefits and Costs.** The direct and indirect benefits of the development proposal shall be determined and quantified to the degree possible. Benefits shall include, but are not limited to, employment benefits (number of jobs retained or created, percentage of jobs held by City residents, wage and salary information, etc.), tax base benefits (estimated market value of new development, new property taxes generated, etc.), housing benefits (number of new rental or ownership units, number of affordable units, etc.), and other benefits relating to transportation, parking, blight remediation, environmental cleanup and historic preservation.

Costs of the development proposal to the City shall also be identified to the degree possible. Such costs shall include, but are not limited to, additional required infrastructure, required local contributions by the City, and the impact on the City's general fund of the fiscal disparity contribution election if tax increment financing is used. The timeframe used for these cost estimates must equal the timeframe of the project finance plan and separately identify any projected recapture of public subsidy.

- **Recapture of Public Subsidy.** It is the City's goal to recapture all, or a portion, of the public subsidy provided to the extent practical. Methods of recapture shall include, but are not limited to, long-term ground leases, subordinated loans, sale and/or refinancing provisions, and equity participation.

**Tax Increment Special Revenue Funds and Internal Loans.** State statute requires that tax increment (TI) revenues be segregated from all other revenues of the City and maintained in separate funds established for each individual TI district. As a result of this statutory requirement, a separate fund is established at the time a new TI district is approved. Qualifying expenses are charged to these individual district funds as they are incurred. This action could result in negative balances in a fund until TI revenues are generated from the district.

When a district has a negative fund balance, this is considered to be an internal loan by the Office of the State Auditor and the TI Act requires prior, specific action to be taken by the City to authorize these internal, inter-fund loans.

As part of the budget process, and for purposes of covering any temporary negative fund balances, the City authorizes the advance of revenues from other TI special revenue funds in the amount needed to offset any negative fund balances incurred within a TI fund prior to or in excess of the collection of sufficient TI revenue. The interest rate paid on any advance will be equal to the rate of interest those revenues would have earned in their respective fund. The term of any advances shall end upon termination of any TI district that carries the negative fund balance. As TI revenues are available in a TI fund that previously had a negative balance, the advance shall be offset by the amount available in that fund.

Capital advances needed for negative fund balances will not result in the actual movement of revenue between funds, but the positive balance of all the City's TI funds will offset any negative balance in a TI fund.

## ***Development Account***

***Purpose.*** Revenues generated from CPED development and redevelopment activities which are otherwise not restricted under law, program guidelines or existing interdepartmental agreements are deposited into the Development Account to provide a source of discretionary funds to support any policy, goal, purpose, project or program which may, by law, be undertaken by CPED. Development Account expenditures are subject to appropriation by the City Council.

## ***Hilton Fund***

***Investment.*** The status of the fund, expenditures and balances are to be reported annually as part of the City's budget process.

***Use for the Infrastructure Acceleration Program.*** Capital commitments were made with money from the Hilton Fund in 2008 for the 2009-2013 Infrastructure Acceleration Program as appropriated in the annual budget process.

## **PUBLIC PARTICIPATION POLICIES**

The objective of the public participation policies is to enhance the City's ability to meet financial and policy challenges by promoting a well-informed community and by encouraging public input in the decision-making process.

***Financial and Performance Measurement Reports.*** Information regarding the City budget, financial statements and performance measurement shall be available to residents.

***Budget and Service Priorities.*** Various methods shall be used to ensure public input into the budgeting process, such as informational hearings, surveys, resident-based review committees and community meetings.

## **ALLOCATION MODEL POLICIES**

The City employs cost allocation models for a variety of purposes:

- Recovery of indirect costs for grants, capital projects, internal & external work-for-others.
- Internal Service Funds.
- Management Services provided by the General Fund to other fund types.

The primary methodology used is Activity-Based-Costing which links the cost of the service provided to the consumption of the service.

### ***Recovery of indirect costs for grants, capital projects & internal & external work-for-others***

- Cost allocation models should recover indirect labor, depreciation, general and administrative costs, and costs from other allocation models.
- Cost allocation models should abide by grant agreements, contracts and other applicable Federal, State and local guidelines.
- Cost allocation models should be reviewed and updated annually.

**Internal Service Funds (ISF's):** All ISF's use cost allocation models to recover operating costs.

- **Property Services Fund** includes:
  1. Rent for building occupants which combines historical expenses, indirect costs and inflationary increases to develop a square foot driver which it uses to allocate costs.
  2. Work-for-others is an on-demand construction and maintenance service that combines time and materials charges along with an indirect cost rate.
- **Business Information Services** allocates its costs to customers based on drivers such as PC and phone count, time & materials and indirect costs for on-demand projects and actual cost for department-specific software applications.
- **Fleet Services** assigns costs for equipment using several methods:
  1. Monthly rental rate combining historical cost, replacement cost and indirect cost.
  2. Hourly and spot rental rates for irregular usage using the above cost pools.
  3. Time and materials, and indirect costs for maintenance and repair.
- **Self Insurance Fund** assigns costs for:
  1. Benefits administration using FTE count as the driver.
  2. Attorney costs using litigation history, departmental assignment and a base premium as its cost driver.
  3. Risk Management uses historical workers compensation and tort claims as its primary drivers for assigning costs.
- **Central Stores & Engineering Materials & Testing** are much smaller funds that use indirect cost rates applied to over-the-counter sales along with time & materials charges.

All of the ISF's should adhere to the following policies:

1. Service providing departments will seek the advice and comment about the cost and pricing of internally provided services from consuming departments at least annually. Reasonable notice of changes in pricing terms will be provided to consuming departments.
2. The cost of internal services will be shared by consuming departments on the basis of expected (budgeted) or actual use. Double billing, value pricing, or opportunity pricing may not be used.
3. ISF's are responsible for developing a plan for funding capital improvements. If the plan includes increasing allocation model charges, the enterprise department should initiate service discussions with the departments receiving the service.
4. Cost allocation models should be developed in a manner that allows customers to actively manage this cost; wherever possible, fixed and variable costs should be identifiable.
5. ISF's should strike a balance between an allocation model that achieves business objectives and the cost of administering the model.
6. ISF's will establish ongoing communication with customer departments in order to articulate costs of service and effectively manage them. The provider of the service and the consumer of the service each have a duty to continually redesign business processes that minimize costs to achieve an agreed-upon level of service.
7. Changes made to department current service levels that affect specific allocation models will be reflected in the annual budget process. ISF's may not charge new fees or add costs to rate models to recover funds lost to budget cuts without notice to the Mayor and City Council and the consent of consuming departments.

8. ISF allocation models are self-balancing in nature; therefore, all of their operating costs must be recovered within the allocation model. Rates should be designed to achieve appropriate fund and cash balances.

**General Fund Allocation Model.** The City will recover costs within the General Fund related to services it provides to non-General Fund departments. The following General Fund departments participate in the allocation model:

Finance	Coordinator Admin	Human Resources	Mayor
Civil Rights	IGR	CPED	Communications
City Clerk	311	Assessor	Internal Audit

The allocation of those costs will be based on a fair and consistent methodology, applied enterprise-wide and developed and administered by the Finance Department.

The General Fund overhead allocation model is not self-balancing in nature; costs that should be borne by one department will not be subsidized by another unless it is determined by the Finance Department that a phase-in period is necessary.

The General Fund allocation model will adhere to the applicable policies set forth for Internal Service Funds.

**One-Time Costs Assessed.** One-time cost increases may be assessed to the fund if the financial condition of the fund meets the City’s financial policies.

**Management Support Charges to Independent Boards.** The management support charges to the Independent Boards will be based upon standard accounting practices for allocating costs. The method and procedure to calculate the prorated costs and collection of the charge will be finalized and communicated to the Independent Boards by December 31 of each year in accordance with the City’s revenue policies.

## PENSION POLICIES

**Authorizing the City Pension Employer Deductions.** The City Finance Department is directed to charge all funds under the City Council jurisdiction a percentage of covered payroll to reflect the costs to the Minneapolis Employees Retirement Fund (MERF) Division of PERA, and to charge the appropriate bi-weekly amounts, as provided for in state law, for each member of the Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Relief Association (MFRA).

**MERF Unfunded Liability.** These liability amounts are included in the departmental appropriations and will be billed to the affected departments. Reinsurance amounts will be paid to a self-insurance pool funded through premiums paid by departments and tracked by department.

**Pension Payment Adjustments.** The Finance Director is authorized in December of each year, after review of the actual revenues received by the MPRA and MFRA in comparison to the budgeted revenues, if there is a shortfall to transfer funds from the “Pension Management Plan” to meet the “City’s minimum obligation” to the funds.

## DEPARTMENTAL POLICIES

**Approval of Payments and Procurements.** All payments to or procurement of goods and services from external sources, regardless of dollar amount must be approved in advance within the City's financial system. Additionally, where applicable, the system-generated purchase order number will be communicated to the vendor prior to the order being placed.

**[New in 2012] Central Requisitions and Receiving Policy.** All departments must follow the City's official Central Requisitions and Receiving process as outlined on the Finance Department website. The process is designed to ensure that all requisitions have a correct coding string assigned "up front." Requisitions will not be processed without coding.

Exceptions: The "frontload" process will only be allowed to be bypassed in the following situations: emergency repairs to buildings, vehicles, and, more generally, the purchase of materials and services in situations where the purchase could not have been anticipated in advance. Concrete and Asphalt purchases, refunds, and Worker's Compensation Payments will also be allowed to bypass the frontload process. In an exception situation, the requester must fill out the requisition request and submit it to the Central Requisitions and Receiving/Central Stores within the next business day.

**Overtime Limitation.** The policy approved by the Mayor and Council limits all departmental overtime to 5% of personnel budgets.

**[New in 2012] City Time Reporting.** Every employee of City Departments must follow the City's Time and Labor guidelines for time reporting and approval of compensation, reporting both working and non-working compensable hours.

Charter Department Heads must approve time for their direct reports, and all City supervisors must approve time for their direct reports while serving as a backup approver for their direct reports who supervise other employees. With the exception of Charter Department Heads, every employee's timesheet must be approved by a supervisor, regardless of FLSA exemption status.

**Elected Official Budgets.** A year end deficit will be allowed for each ward and the Mayor's office budget with the exception of the final year of term (but not for two consecutive years). The deficit will be paid by March 31 or the Council Member or Mayor's office budget for the current year will be reduced at mid-year. If there is savings in a ward or Mayor's budget, these savings can be reappropriated from one year to the next, but cannot be reappropriated the final year of the term.

**Fire Department Staffing Authorization.** The Fire Department shall be authorized to exceed its authorized strength for firefighters for training purposes provided that the average strength for the year is at or below the total authorized and the department does not exceed its legal spending authority.

**Police Department Staffing Authorization.** The Police Department is authorized to exceed its authorized strength sworn officers in order to achieve a higher strength in the summer months provided that the average monthly strength for the year is at or below the authorized strength and the department does not exceed its legal spending authority.

**911 Division Staffing Authorization.** The 911 Division of the City Coordinator's Office is authorized to exceed its authorized strength in order to achieve a higher strength in the summer

months provided that the average monthly strength for the year is at or below the authorized strength and the department does not exceed its legal spending authority.

**Regulatory Services Staffing Authorization.** The Inspections Division of Regulatory Services is authorized to exceed its authorized number of Housing Inspectors to minimize service disruption to residents provided the department does not exceed its legal spending authority.

## **AUTHORITY OF THE FINANCE OFFICER**

The Finance Officer or his/her designee has the following authority to approve technical changes:

- To make temporary loans to cover any cash deficits at the end of each fiscal year.
- To adjust appropriations in any fund to facilitate transfers for debt service which may be required, and to make all appropriate transfers and payments.
- To authorize the Director of Management and Budget and/or Controller to sign real estate and bond documents in the absence of the Finance Officer.
- To amend appropriations related to technical accounting treatment changes.
- To adjust re-appropriations for grant funds within cost centers as appropriate.
- To assign fund balance in accordance with GASB 54 based on analysis provided by Finance Department Staff.
- To allocate the State Insurance Aid payments received from the state for pension costs between the city and the Police and Fire Relief Associations. The City's allocation shall be for cost of Police and Fire PERA and shall be credited to the proper revenue account in the fund incurring the cost with the balance being allocated to the Relief Associations.
- To adjust the appropriations of the special revenue funds for payments to various pension organizations as may be required: Pension Fund (01990).
- To establish or adjust appropriations, transfer balances, or make payments to carry out the intent of any action or resolution Passed and Approved, or any legal agreement Passed, Approved and Executed, with respect to any inter-fund loans, advances, residual equity transfers, or operating transfers, or the repayment thereof.
- To make the necessary project and line item budget adjustments to periodically balance budgets and expenses between objectives within given programs and within normal CDBG program constraints.
- To make any necessary appropriation adjustments to allow departments to receive and spend NRP funds consistent with Council-approved NRP Action Plans, Early Access requests, and First Step Plans.
- To approve any and all transfers of eligible revenues into the Development Account (based on an eligibility assessment and analysis conducted by Finance Department staff).
- To approve any and all transfers of eligible revenues into the Property Disposition Fund (based on approval by the Facilities, Space and Asset Management Committee and eligibility assessment conducted by Finance Department staff).
- To appropriate available grant balances from the following grants:
  - (i) HUD Rental Rehab grant to Fund 01310
  - (ii) HUD HOME grant funds to Fund 01310 and 1500
  - (iii) Federal Transit Administration (Trolley) grant funds to either Fund 01310 or City Fund 01300 for use by the GMCVA/Meet Minneapolis
  - (iv) Eligible UDAG recapture funds to fund 01FNA
  - (v) State Economic Recovery Grants to fund 01SMN
  - (vi) HUD Special Purpose Grant MN47SPG507(TCOIC) funds to the Non-departmental Agency in the Fund (01400-1230000)



- To make appropriation adjustments to correct any errors, omissions or misstatements to accurately reflect the intent of the City Council in adopting the Operating Budget.
- To transfer appropriations between the parking fund and other funds upon request by the Public Works Department. Such transfers shall not change the fund and agency level totals as approved by the City Council and Mayor and shall not constitute approval of any policy change.
- To appropriate and transfer revenue within the Tax Increment and other special revenue funds consistent with the management of the City's tax increment districts, Common Project, Development Accounts and Preliminary Planning Fund: 01CLC (Local Contribution), 01CNR (NRP), 01SAD (NRP Planning & Implementation), and 01SPH (Community Development Revenue).
- To establish or amend appropriations related to technical accounting treatment changes and to establish and adjust accounts and appropriations, make payments and transfers, process transactions as necessary for the purpose of cash management of revenues and facilitate any technical corrections, adjustments and completions authorized for the following project/s:
  - Target Center Finance Plan as planned for adoption with the 2011 City budget and detailed in the Financial Plans section of this book.
  - To make adjustments to internal allocation models (General Fund Overhead, Internal Service Funds, etc...) and the appropriations attached to them for purposes of making technical corrections.
  - To reduce LGA payments to the Independent Boards if payment of the management support charge, or any other charges required by City Ordinance, are not received prior to the distribution of the December LGA payment. This reduction shall only occur after an affirmative vote of the Council to implement this authority.
  - To re-appropriate funds and certify that an encumbrance is eligible for re-appropriation at the end of the fiscal year. Additionally, the Finance Officer may reject re-appropriation requests based on the financial health of the fund or extenuating circumstances. This does not impact the requirement for a formal Request for Proposal for contracts over \$50,000. To be eligible for re-appropriation, requests must meet the following criteria:
    - 1) a valid encumbrance;
    - 2) a one-time expenditure (not recurring budget item);
    - 3) a purpose consistent with the department's business plan;
    - 4) the budget year appropriation balance available for the encumbered item; and
    - 5) the financial position of the fund (status of the fund relative to work out plans; whether the fund's spending in the preceding year had expense in excess of revenue).

## **APPROPRIATION AND REAPPROPRIATION POLICIES**

***Reappropriation in Grant Funds.*** The balances of 2011 appropriations for the following grant funds are hereby re-appropriated in the year 2012:

01300 Grants - Federal  
 01400 CDBG/UDAG Fund  
 01600 Grants – Other

01410 CDBG (CPED)  
01310 and 1500 HOME (CPED)  
01320 Enterprise Zone (CPED)  
01SMN State Grants (CPED)

The balances of 2011 appropriations for administration in the CDBG/UDAG Grant fund (01400) shall be re-appropriated to the Non-Departmental Agency in 2012, except for the administrative portion of Way to Grow in Health.

***NRP Carryover Authorization.*** With the exception of NRP Administration, the balance of the 2011 appropriations for NRP projects within Fund 01CNR (NRP) are hereby appropriated for said purposes in 2012. Specific amounts re-appropriated will be determined after the close of the 2011 fiscal year and upon review and approval of the Finance Officer.

### **CDBG REPROGRAMMING POLICY**

The City's current over-obligation of CDBG funds stands at \$4.8 million. The City manages its over-obligation through its new annual allocations. The first priority for reprogramming eligible available balances is to reduce the deficit in the City's letter of credit with the Federal government. There are four sources for reprogramming funds:

- 1) unspent annual administrative appropriations,
- 2) unspent and not legally obligated public service funds over two years old,
- 3) cancelled, ineligible or unspent capital funds,
- 4) program income.

***Administrative Allocations.*** The intent of the reprogramming policy and the footnotes is to limit administrative fund expenditures to the amount that was appropriated for that calendar year, regardless of the amount that is available from the grant balances. The limitation applies to the City Department's non-contractual, internal costs.

Funds that are allocated to grant recipients for administrative purposes are exempt from this provision (e.g.: Legal Aid, Public Housing Citizen Participation). These projects are legal obligations and would not become part of the administrative reprogramming calculation unless the projects were finalized without fully expending the funds.

***Public Service Allocations.*** The amounts that are awarded from and appropriated for public service activities expire two years from the original award date for that CDBG program year that starts on June 1. The Department can roll over appropriations from the prior year, as needed to carryout these activities. After two years any unspent amounts and those that are not legally obligated are available for reprogramming and will be referred to the reprogramming process.

***Capital Allocations.*** Beginning with the Year 32 (2006) approved Consolidated Plan, authorization for capital project allocations expired for those projects that have not moved forward toward implementation as enumerated by meaningful financial obligation activity indicated by a minimum of 75% of appropriation expended on tangible project activities by the end of 2009 for appropriations authorized in 2006.

***Program Income.*** Fifty percent of program income not obligated by pre-2009 contracts is applied to reducing the deficit in the City's letter of credit with the Federal Government. The balance is available for reprogramming.

Projects with a twelve-month period of inactivity shall be cancelled if the project has been authorized for more than three years.

## **ADMINISTRATIVE POLICIES**

**Year end Report.** Not later than January 31st of each year the Finance department will report to the Ways and Means/Budget Committee on preliminary year end expenditures and revenues by departments compared to authorized allocations for the prior fiscal year. This report will identify departments with expenditures in excess of authorized appropriations and/or revenues less than budgeted amounts.

Departments with actual expenses in excess of authorized appropriations and/or revenues less than budgeted amounts will report to the Ways & Means/Budget Committee each month for the year following the year of overspending or under-collection of revenues, beginning with the first committee meeting in February. This report should report actual spending and revenue collection to date for the current year and forecasts for the balance of the year compared to allocations. If forecasted spending exceeds authorized appropriations the department will present a plan that reduces spending to authorized appropriations.

**Operating Costs for Technology.** Departments are directed to clearly identify within existing resources the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home committee and the Ways and Means/Budget Committee when the annual operating and maintenance cost of any technology project exceeds \$50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. BIS and Finance should work with departments to ensure those costs are identified and included in the contract for technology services.

**Fund Balances for Technology Projects.** When the overall fund balance at year end meets the level in the adopted financial policies, General Fund revenues over the budgeted amount for the year that can be attributed to a department's activities and which exceed direct expenses, up to \$1 million per year, would be reallocated to a dedicated account to fund Council-approved multi-departmental technology projects led by the revenue generating department.

**Contract Management.** Prior to committing to conditions requiring a minimum purchase under any contract, the department/departments involved must clearly identify the specific funding sources dedicated for such purchases.

**Gift Acceptance.** Any gifts with a value of \$15,000 or less can be received by individual City departments with written notice to the Finance Officer or his/her designee. The Finance Department shall submit a quarterly gift report to the City Council's Ways and Means/Budget Committee for approval. Consistent with Minnesota Statutes, section 465.03, the department may not use the gift until it has been approved by a two-thirds vote of the City Council.

The quarterly gift report shall contain the following information on each donation:

- 1) Name of recipient department;
- 2) Name of entity making gift;
- 3) Description of gift (including date received and special designations on gift, if any); and
- 4) Funding strings for revenue and expense appropriation increases.

For any gifts with a value exceeding \$15,000, the recipient department shall submit a request for authorization to accept the gift to the City Council's Ways & Means/Budget Committee directly.

## **CAPITAL BUDGET POLICIES**

The objective of the capital budget policies is to ensure maintenance of public infrastructure in the most cost-efficient manner.

**Capital Improvement Program.** The City prepares and adopts a five-year Capital Improvement Program (CIP) that details each capital project, the estimated cost and funding sources. An adopted point rating system is used to rank and prioritize recommended projects.

**Operating Budget Impacts.** Operating expenditures/savings of each capital request are included in the cost of implementing the CIP and reflect estimates of all personnel expenses and other operating costs attributable to the capital outlays. Departments receiving capital funds must account for the increased operating costs resulting from capital projects.

**Repair and Replacement.** The City strives to maintain its physical assets at a level that protects the City's capital investments and minimizes future maintenance and replacement costs. Where possible, the capital budget shall provide for the adequate maintenance, repair and replacement of the capital plant and equipment from current revenues.

## **DEBT MANAGEMENT POLICIES**

**Objective.** The debt management policies provide a framework for managing the City's capital financing and economic development activities in a way that preserves the public trust and balances costs to current and future taxpayers without endangering essential City services.

**Authority and Oversight.** Management responsibility for the City's debt program is delegated to the Chief Financial Officer. The Debt Management Committee advises the CFO on the use of debt financing and debt management activities. The Debt Management Committee meets periodically at the call of the CFO and includes the following persons:

- Chief Financial Officer
- City Attorney
- Director of Management and Budget
- Director of Capital & Debt Management
- Executive Secretary, Board of Estimate & Taxation
- Director, Development Finance or designee
- Independent Bond Counsel as needed
- Independent Financial Advisor as needed

### **Guiding Principles for City of Minneapolis Debt Issuance**

**Method of Sale.** The three primary methods of selling bonds include competitive sale, negotiated sale and private placement. The City uses the competitive sale method for its general obligation bond sales unless factors such as structure, size or market conditions compel the use of a negotiated sale. The City may use the negotiated sale method on economic development related projects when the characteristics of the transaction require a more specific

marketing plan and/or the issue lacks an investment grade rating due to complex security provisions or other factors.

**Selection of Independent Advisors.** The City uses competitive processes to select all service providers involved in the bond issuance process.

- **Short-term Debt/Use of Derivatives.** The City limits issuance of short-term debt for cash flow purposes, generally using cash reserves and investment practices to ensure adequate liquidity exists to pay for expenditures during the year. Derivative-based financing arrangements shall only be used after careful evaluation by knowledgeable staff regarding the benefits of the instruments as well as all of the associated risks including counterparty credit, market, settlement and operating risk.
- **Variable Rate Debt.** The City uses variable rate debt to provide debt structuring flexibility and potential interest savings to the total debt portfolio. Generally, the City maintains no more than 25% of its total debt obligations in variable rate mode. It also manages no more than 25% of the debt in variable rate mode within the major business functions that issue debt such as the Stormwater, Sanitary Sewer, Water and Parking funds or the Convention Center.

Variable Rate Debt by Fund	2009	2010	2011
Total General Obligation Debt	14.6%	14.9%	5.2%
Stormwater Fund Debt	0.0%	0.0%	0.0%
Sanitary Sewer Fund Debt	0.0%	0.0%	0.0%
Water Fund Debt	0.0%	0.0%	0.0%
Parking Fund Debt	22.6%	24.4%	<b>26.5%</b>
Convention Center Fund Debt	<b>27.4%</b>	<b>29.1%</b>	0.0%

*Policy: No more than 25%; 2011 amounts are based on projections*

- **Conduit Debt Financings.** The City has an active program of conduit business financings. Development proposals are reviewed to determine if they meet program objectives as determined by City Council financing guidelines and whether the proposal is financially feasible. Items reviewed during due diligence reviews include narrative on the company and owners, past three years of financial statements, personal financial statements, tenant and lease data, market feasibility studies, business plans, project pro formas, appraisals, plans and specifications, environmental reviews, insurance covenants, etc. Additionally, the project will be evaluated for consistency with other City measures related to land use, job creation and compliance with affirmative action, civil rights, job linkage and other equal employment opportunity requirements.

**Bond Specifics.**

**General Obligation Bonds, Property Tax Supported.** General obligation, property tax supported bonds finance only those capital improvements and long-term assets that have been determined to be essential to the maintenance or development of the City.

**General Obligation Revenue Bonds.** The City issues general obligation revenue bonds to finance assets associated with its primary enterprise businesses including storm water and sanitary sewers, waterworks and parking ramps. Financial feasibility of capital projects is

reviewed each year, including a review of the cash basis pro formas for these funds. Five-year business plans detailing projected operating costs and prior debt obligations are reviewed as well as revenue performance and rate setting analysis to ensure that adequate bond coverage ratios are achieved.

**Tax Increment Bonds.** The City uses tax increment bonds only where projects can be shown to be self-liquidating from tax increments arising in sufficient amounts, or where secured guarantees are provided for potential shortfalls, and with appropriate timing to avoid, to the maximum extent possible, the use of citywide property tax revenues and where maximum allowable guarantees are obtained.

The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment is either fully constructed or is underway and subject to the terms and conditions of a development agreement with the City. Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate.

**Special Obligation Revenue Bonds.** Special obligation revenue bonds, those bonds for which the City incurs no financial or moral obligation, are issued only if the associated development projects can be shown to be financially feasible and contributing substantially to the welfare and/or economic development of the City and its inhabitants.

**Bond Term.** The City shall issue bonds with terms no longer than the economic useful life of the project. For self-supporting bonds, maturities and associated debt service shall not exceed projected revenue streams.

**Feasibility.** The City shall obtain secured guarantees for self-supporting and tax increment supported bonds to the extent possible. The City shall also obtain assurances of project viability and guarantees of completion prior to the issuance of bonds.

## **CAPITAL & DEBT ADMINISTRATION POLICIES**

### ***Appropriation and Reappropriation***

**Approvals for Bond Issuance.** The amounts appropriated in any City fund to be financed by bond proceeds are contingent upon the necessary approvals for issuance. The Finance Officer is authorized to establish or adjust any bond-financed appropriations when the necessary approvals for issuance of bonds are obtained. Further, the Finance Officer is authorized and directed to adjust assessment appropriations set forth in this resolution to reflect the actual amount to be assessed. Total amounts assessed will be established by a future Council action approving the assessment public hearing and the amount assessed for the project.

**Creation of Appropriations.** The Finance Officer is authorized to create or adjust certain appropriations subsequent to the sale of bonds, including all appropriate fund transfers and payments necessary to comply with arbitrage rebate and reporting to the federal government required under the Tax Reform Act of 1986 and revisions to debt service budgets resulting from new bond sales and refunding bonds issued during the year.

**Reduction of Appropriations if revenues do not materialize.** The amounts appropriated in the various funds to be financed from various revenue sources are hereby appropriated contingent only upon the reasonable expectation of the receipt of the required financing. The Finance Officer is authorized and directed to reduce any capital appropriation whenever a revenue source is determined to be not collectible for whatever reason.

**Capital Project Closure.** The Finance Officer is authorized to approve the closure of non-bond funded capital projects and the adjustment of said appropriations as identified and requested by the City Engineer for those projects under Public Works.

**Independent Boards: Appropriations and Capital Advances.** The Finance Officer is authorized to establish or adjust appropriations, make payments and transfers, and process transactions as necessary for the purpose of providing departments, boards and commissions an internal financing alternative to lease/purchase agreements with external vendors. The Finance Officer may provide capital advances from individual funds to the extent funds are actually available. The Finance Officer shall establish the term and interest rate applicable to the capital advance. The principal amount of the capital advance can be transferred to the fund of the department, board or commission after the purchase of the asset and execution of an Internal Lease/Purchase Agreement, signed between the department, board or commission and the Finance Officer. Prior to issuing the capital advance, the Finance Officer shall determine that the department, board or commission has made a commitment in their annual budgets to provide the funds necessary to repay the advance, with interest, over the term of the agreement.

**Reappropriation of Capital Projects.** The Finance Officer is authorized to adjust re-appropriations to capital project funds as appropriate. The balances of prior year appropriations in Capital funds are hereby re-appropriated with the following exceptions:

<u>Fund</u>	<u>Project or Operating Organization</u>
City-Capital Impr Fund	Transportation Planning & Engineering
City-Capital Impr Fund	Sidewalk Inspection
City-Capital Impr Fund	Reimbursable Paving
City-Capital Impr Fund	Reimbursable Transportation

Balances of capital projects in the equipment, property services and information technology internal service funds and sanitary sewer, stormwater, water and municipal parking enterprise funds are also hereby re-appropriated with the exception of the reimbursable sewer and storm drains projects and reimbursable watermain projects.

**Reallocation of Capital Resources.** The Finance Office should work with departments to ensure the timely closeout of capital projects. Generally, projects should be closed within four years of original bond issuance. Bonds should not be reallocated until a project is completed or canceled. At the time of project closing, any excess funds should be reallocated according to the following priorities:

1. completed projects with existing deficits;
2. approved capital programs with projected deficits; and
3. returned to the debt service fund to increase capacity for future capital programs.

Reallocation of excess bond proceeds must follow applicable charter and statutory provisions related to the issuance of those resources and consistency with the City's comprehensive plan.

**[New in 2012]** Excess net debt bond proceeds returned to the debt service fund through priority number “3” listed above will be tracked and used to increase net debt bond programming in the following year. In addition, unissued net debt bond authorizations from closed or abandoned projects will not be allowed to be reprogrammed to new projects without going through the formal annual Capital Budget Process but will be used to expand net debt bond programming in the following year.

***Cancellation of Bond funded Reallocation of Capital Resources.***

***Expiration of Capital Project funding for certain projects.*** For certain capital projects, the funding is replenished annually due to the source of funding and/or recurring major maintenance nature of the projects. For these projects, the expenditures are to be paid from funds of the appropriation year in which the work occurs. These projects will not have their appropriations carried forward since they are replenished annually. Bond appropriations authorized for these programs will carry over.

The projects follow:

SWK01	Defective Hazardous Sidewalks – Assessed portion
SA001	Sanitary Tunnel & Sewer Rehabilitation Program
SA036	Infiltration & Inflow Removal Program
SW004	Implementation of US EPA Storm Water Regulations
SW005	Combined Sewer Overflow Improvements
SW011	Storm Drains and Tunnels Rehabilitation Program
SW030	Alternative Stormwater Management Strategies
SW039	Flood Mitigation with Alternative Stormwater Mgmt
WTR12	Water Distribution Improvements
WTR23	Treatment Infrastructure Improvements
RMP01	Parking Facilities – Repair and Improvements

***Accounting Adjustments.*** The Finance Officer is authorized to approve adjustments to Capital Appropriations between different capital departments for the same project within the same fund and revenue sources. Such appropriation adjustments shall not constitute approvals of any policy change.

***Adjustments Related to Cost of Bond Issuance and Maintenance Fees.*** The Finance Officer is authorized to establish or adjust appropriations and fund transfers to pay all costs associated with authorized City bond sales including costs of issuance and annual bond maintenance fees from the Bond Redemption Fund with the expenditures then being allocated to other funds as appropriate.

***Funding of Capital Models and Studies.*** The Finance Officer is authorized to fund from investment earnings generated from capital project balances studies related to long-term financial planning models and related debt management activity.

***Authorization of Transfers for Bond Proceeds and Investment Income.*** The Finance Officer is authorized to establish and adjust appropriations to provide for the transfer of funds to include bond proceeds and investment income for capital projects.



**Correction of Errors.** The Finance Officer is authorized to make corrections for errors of omission and misstatements in order to accurately reflect the current budget year of the adopted Five-Year Capital Program.

**Appropriation of Debt Service.** There is hereby appropriated in the various Debt Service Funds sufficient funds to pay debt service requirements.

## **ARBITRAGE AND INTERNAL SERVICE REGULATIONS**

**Use of Investment Earnings.** The investment earnings from unspent bond proceeds shall be accounted for in separate arbitrage funds and will be allocated to debt service on net debt bond issues and shall be transferred on the scheduled debt service payment dates. The exception to this is that investment earnings on unspent tax increment bonds are to be used only for tax increment eligible purposes related to that specific tax increment bond issue.

**Tax-Exempt Bonds.** The annual capital budget resolution constitutes an official declaration pursuant to IRS Treasury Regulations Section 1.150-2 that the City intends to reimburse expenditures which may be made for those projects designated herein to be funded with bond proceeds by incurring tax-exempt debt of the City. The expenditures to be reimbursed include all preliminary expenses for planning, design, legal, consulting services and staff costs reasonably allocated to the project as well as costs incurred and paid for the design and construction of the projects after approval of the capital budget. In addition, as approved by resolution 2008R-133, the City hereby declares its official intent to reimburse itself for expenditures for projects described as bond funded in the annual adopted capital resolution in an amount up to 125% of the original project budget. The projects are more fully described in the Capital Budget Request forms on file in the office of the Director of Capital and Debt Management. The reasonably expected source of funds to pay debt service on the tax-exempt bonds to be issued by the City consists of the following according to the designated bond type:

<b>Bond Type</b>	<b>Source</b>
Net Debt	Property Taxes
Equipment, Property Services or Information Technology	Internal User Fees
Sanitary Sewer	Sanitary Sewer revenues
Stormwater Sewer	Stormwater Fund revenues
Water	Water Fund revenues
Parking	Parking Fund revenues
Assessment	Special Assessments
Tax Increment	Tax Increment revenues

**Reimbursement Intent.** The Finance Officer is authorized to make further declarations of official reimbursement intent in connection with the projects described herein pursuant to IRS Treasury Regulations Section 1.150-2 on behalf of the City consistent with budgetary and financial circumstances. Copies of any such further declarations shall be filed with the Ways & Means/Budget Committee and the Board of Estimate and Taxation.

## STAFF DIRECTIONS REGARDING THE CAPITAL BUDGET PROCESS

**Completion of Major Repair Items in Public Facilities.** Public Works Property Services is directed to provide CLIC a one-page summary of major repair items completed in the prior year as part of their PSD01 Facilities Repair and Improvements capital program. This document must accompany the annual capital submittal for this program.

**Status of Art in Public Places Program.** Staff responsible for the Art in Public Places capital program are directed to provide CLIC a report on the status of projects currently in the planning phase or under construction as part of their annual capital submittal.

**Park Board Request.** Park Board needs to provide CLIC a report showing where capital expenditures were incurred by project for the prior year and details of what projects are planned by year and by funding source as part of the Park Board capital submittal.

**Planning Direction Provided.** The adoption of the Five-Year Capital Program is to assist in planning and provide direction for City departments including Public Works Engineering Services, but it does not establish permanent Council commitment to the out-year projects either in scope or timeline of construction.

## CAPITAL PROJECTS STATUS REPORT AND BOND AUTHORIZATION

**Annual Capital Projects Status Report.** Once a year, no later than April 30th, the Finance Department will report to the City Council's Ways & Means/Budget Committee on the status of capital projects. This annual capital projects status report shall contain the following information by project and capital program year:

- 1) A list of all capital projects for which bonds or City funding sources have been authorized but have not been closed;
- 2) The amount of revenue received to date;
- 3) The current, expended and remaining appropriations;
- 4) The balance of project shortfalls or funds available for reprogramming; and
- 5) A list of outstanding capital projects with the amount of bond authorization and appropriation that will be considered for expiration in the following year.

The Finance Department shall also report on fund appropriations for capital projects, bond authorizations and proceeds balances that may be cancelled because projects have been completed or otherwise concluded, or because the purposes for which money was appropriated or bonds authorized or issued have been cancelled, completed, or otherwise concluded.

**Expiration of capital project funding.** Beginning with the 2006 City Council approved Capital Improvement Plan and for all such Plans authorized thereafter, the City Council authorizations for bond issuance and project appropriation will expire for those projects that have not moved forward toward implementation as enumerated by meaningful spending activity indicated by a minimum of 75% of appropriation expended on tangible project activities within three years of original project authorization.

The expiration of project appropriations under this policy will automatically take place unless a request for extension is specifically made and reauthorized by the City Council. Projects funded with bond proceeds that expire under this section shall require City Council reauthorization.

## TRANSFER POLICIES

The objective of the transfer policies is to ensure the transfer of money between funds is done in a fiscally sound manner.

***Municipal Parking Fund to General Fund.*** The municipal parking fund is a City enterprise fund used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the municipal impound lot.

***Transfer Criteria.*** Transfers into and out of the City's Municipal Parking Fund should meet the following criteria:

1. Be consistent with state laws, City ordinances and City Council approved finance plans and financial policies;
2. Maintain and support favorable financial results among all affected funds;
3. Be sustainable to allow long-term financial planning.

Finance and Public Works will recommend to the Mayor and City Council the amount of the transfer based on an analysis of the financial history of the fund; this recommendation will be part of the annual presentation of the Five-Year Financial Direction.

**City of Minneapolis  
2012 Budget**

**Financial Overview**

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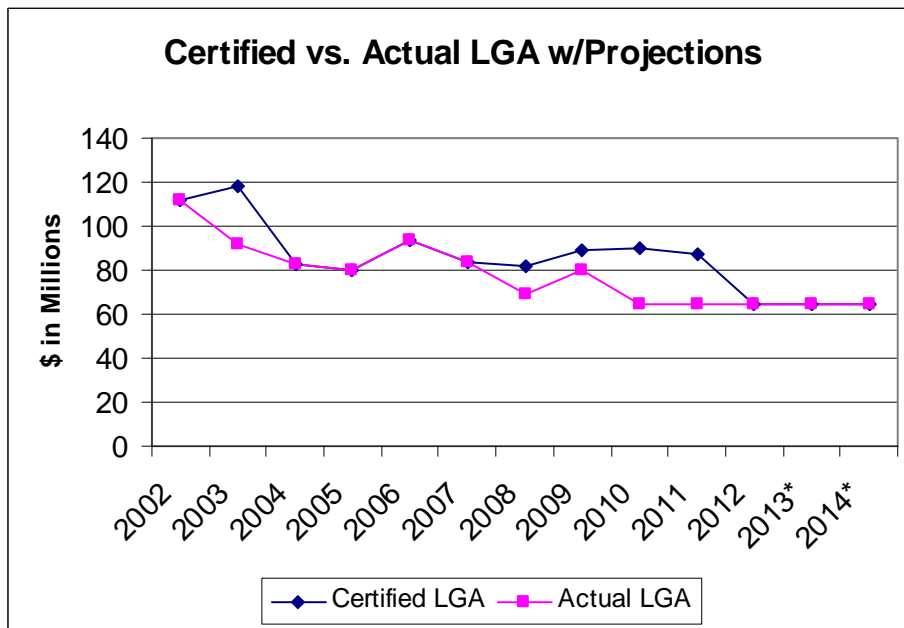
# City of Minneapolis 2012 Budget

## Financial Overview Prepared by the Minneapolis Finance Department

The 2012 Council Adopted Budget for all City funds increases to \$1.225 billion, a \$33 million or 2.7% increase from the 2011 Council Revised Adopted Budget of \$1.192 billion. Most of this increase is due to accelerated payments towards the City's bond obligations. The Council adopted a property tax levy with no change from the 2011 level. 2012 is the first year that the budget is presented without transfers, and transfers have been removed from charts and numbers within this document noting totals for prior years.

### 2011 and 2012 Local Government Aid (LGA)

In August 2010, the Minnesota Department of Revenue certified that Minneapolis would receive \$87.5 million in LGA in 2011, which was reflected in the 2011 Council Adopted Budget. However, in responding to the State's structural budget crisis, the Legislature reduced local aids and credits to Minnesota cities, including a reduction of Minneapolis's LGA by \$23.4 million to \$64.1 million. The 2011 Council Adopted Budget included a mechanism to automatically reduce appropriations in certain areas if the State acted to reduce LGA. This mechanism was effectuated, and the appropriation reductions in the 2011 Council Adopted Budget were implemented. Totals shown in this document for the 2011 Council Adopted Budget reflect these revisions and are referred to as totals for the 2011 Council Revised Budget. The State, in building its biennial budget, also appropriated \$64.1 million in LGA for Minneapolis in 2012 and 2013. The following table shows the historical certified and actual LGA amounts including the reductions, as well as projected LGA levels based on current law:



\*2013 and 2014 amounts are projected numbers.

## Major Highlights

The 2012 Council Adopted Budget includes significant changes to methods for addressing future financial challenges. It is important to be aware of these major changes when making comparisons between budget years.

The major changes include:

- This budget reduces spending for City departments by \$1 million in 2012 to hold the property tax levy flat. In addition, the Council directed in 2011 that department budgets be further reduced for 2011 and 2012 to reflect no increase in salaries during this period.
- 2012 is the first year of a two-year implementation of Priority-Based Budgeting process. In this process, departments make proposals for funding their programs. These proposals are essentially applications for funding based on the City's goals and priorities, and each proposal is allowed to apply for funding within a category. For more information on departmental program proposals and the Priority-Based Budgeting process, please refer to the Strategic Planning section of this document.
- In the 2010 Council Adopted Budget, the Council replaced the previous 8% tax revenue policy with a policy of shared revenue distribution. This approach improved transparency and better aligned revenue changes among City departments and the independent boards, while addressing shared financial challenges. This approach allows for consideration of the tax impact on taxpayers with anticipated changes to the City's tax base, LGA unallotments and other General Fund revenues. This policy continues in the 2012 Council Adopted Budget and future years. For 2012, the tax levy increase is 0%.
- In order to reduce the proposed property tax levy increase to 0%, the Council Adopted Budget redeems the entirety of the remaining principal on the \$114 million in bonds issued for the Minneapolis Employees Retirement Fund (MERF), which is now a division of the Statewide PERA pension fund, and the former Minneapolis Police Relief Association (MPRA), which has been merged into PERA's Police and Fire Fund (PERA P&F). This redemption creates significant additional debt capacity in future years and eliminates the interest payments associated with the debt that were charged at a 5.8% annual rate. The Council Adopted Budget also reduces the transfer from the General Fund to the Intergovernmental Services (BIS) Fund by \$1.2M on an ongoing basis to reflect the positive experience toward the goals in the financial plan, leaving these resources in the General Fund. Other changes include a lesser increase in health care costs than originally anticipated by \$2.5 million due to lower rates.
- Future challenges that the 2012 budget, through the five-year financial direction, plans for include the impacts of falling property values, rising pension obligations, and continuing growth in the cost of providing City services due to inflationary pressures.
- 2011 revenues and expenditures throughout the budget document reflect the 2011 Council Revised Adopted Budget and incorporate the cuts that were enacted as the result of reductions to State Aids as specified in the 2011 Adopted Budget Resolution. If the changes to State Aids related to the Resolution, which was enacted in late July 2011, were not removed from the 2011 budget, 2011 revenues and expenditures

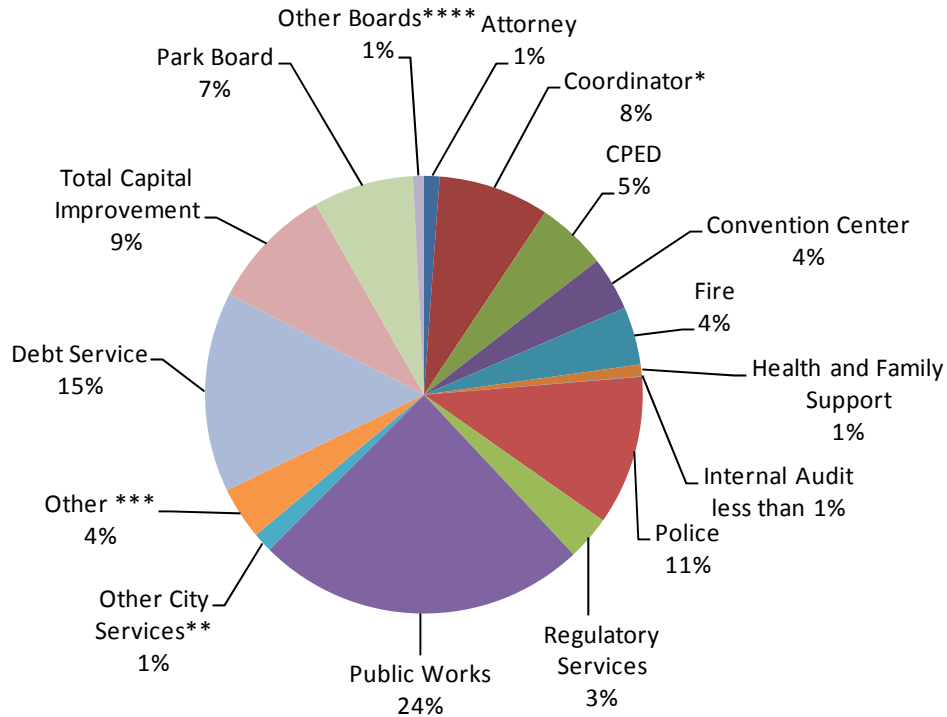
citywide would be \$23.4 million higher than displayed in this document. Therefore, the overall change from the 2011 Revised budget is an increase of approximately \$10 million, or 0.8%.

- The 2012 Mayor's Recommended Budget did not allocate funding for Community Development Block Grants (CDBG) because Congress did not allocate specific amounts to the City at the time of budget publication. The 2012 Council Adopted Budget includes these amounts in program and departmental funding, totaling \$14.8 million. CDBG funds include HOME, ESG, HOPWA and other funds.
- The 2012 Council Adopted Budget does not include any of the various amendments which are derived from 2011 transfers or rollovers as those funds were appropriated in 2011. These impacts will be incorporated into program funding in 2012 after all adjustments related to the financial accounting "closing" of 2011 are accounted for, likely late in the first quarter of 2012.

## City Spending

Below is a summary of the 2012 Council Adopted Budget by major spending categories and independent boards, excluding transfers.

**Total Expense Budget – Use of Funds  
2012 Council Adopted Budget  
\$1.22 Billion**



\* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, BIS, 911 and Emergency Preparedness

\*\* Includes Assessor, City Clerk/Elections/Council, Civil Rights and Mayor

\*\*\* Includes self insurance, contingency and certain pension obligations

\*\*\*\* Includes Board of Estimate and Taxation, Youth Coordinating Board, the City's Contribution to Minneapolis Public Housing Authority, and Municipal Building Commission

**Note:** See "City Council Operating Departments" and "Independent Boards and Agencies" sections in the budget document for further explanation of changes between years.



## Expenditures by Service (In Millions of Dollars)

	2011 Revised	2012 Council Adopted	Percent Change	Change
Attorney	14.4	14.2	-1.6%	(0.2)
Coordinator*	102.3	100.3	-2.0%	(2.0)
CPED	75.6	63.5	-16.0%	(12.1)
Convention Center	48.5	48.7	0.5%	0.3
Fire	51.4	52.3	1.7%	0.9
Health and Family Support	13.4	10.7	-19.8%	(2.6)
Internal Audit	0.4	0.4	0.0%	
Library (Transfer to Hennepin County)	5.9	5.0	-14.9%	(0.9)
Police	135.0	135.4	0.3%	0.4
Regulatory Services	35.9	40.1	11.5%	4.1
<b>Charter Departments Subtotal</b>	<b>482.8</b>	<b>470.6</b>	<b>(0.0)</b>	<b>(12.2)</b>
PW - Administrative Services	2.7	2.8	1.4%	0.0
PW - Fleet	40.4	43.7	8.1%	3.3
PW - Solid Waste	33.8	32.9	-2.6%	(0.9)
PW - Property Services*****	1.0		-100.0%	(1.0)
PW - Traffic & Parking	54.8	56.4	2.9%	1.6
PW - Transportation Maintenance and Repair	41.2	41.7	1.1%	0.5
PW - Transportation Planning & Engineering	11.8	11.4	-3.1%	(0.4)
PW - Water Treatment & Distribution	48.4	51.1	5.6%	2.7
PW - Surface Water and Sewer - Stormwater	13.7	15.5	12.9%	1.8
PW - Surface Water and Sewer - Sanitary Sewer	42.3	44.3	4.6%	2.0
<b>Public Works Subtotal</b>	<b>290.0</b>	<b>299.6</b>	<b>3.3%</b>	<b>9.6</b>
Other City Services**	16.1	17.6	9.3%	1.5
Other ***	44.4	42.6	-4.1%	(1.8)
Debt Service	133.2	180.8	35.8%	47.6
Total Capital Improvement	122.4	112.8	-7.9%	(9.7)
<b>Subtotal</b>	<b>316.1</b>	<b>353.7</b>	<b>11.9%</b>	<b>37.6</b>
Park Board	92.2	90.8	-1.5%	(1.4)
Other Boards****	11.2	9.9	-11.4%	(1.3)
<b>Independent Board Subtotal</b>	<b>103.3</b>	<b>100.7</b>	<b>-2.5%</b>	<b>(2.6)</b>
<b>Total City Spending</b>	<b>1,192.2</b>	<b>1,224.6</b>	<b>2.7%</b>	<b>32.4</b>

\* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, BIS, 911 and Emergency Preparedness

\*\* Includes Assessor, City Clerk/Elections/Council, Civil Rights and Mayor

\*\*\* Includes Non-departmental, Health and Welfare, Worker's Compensation, Liability, Contingency and Pensions

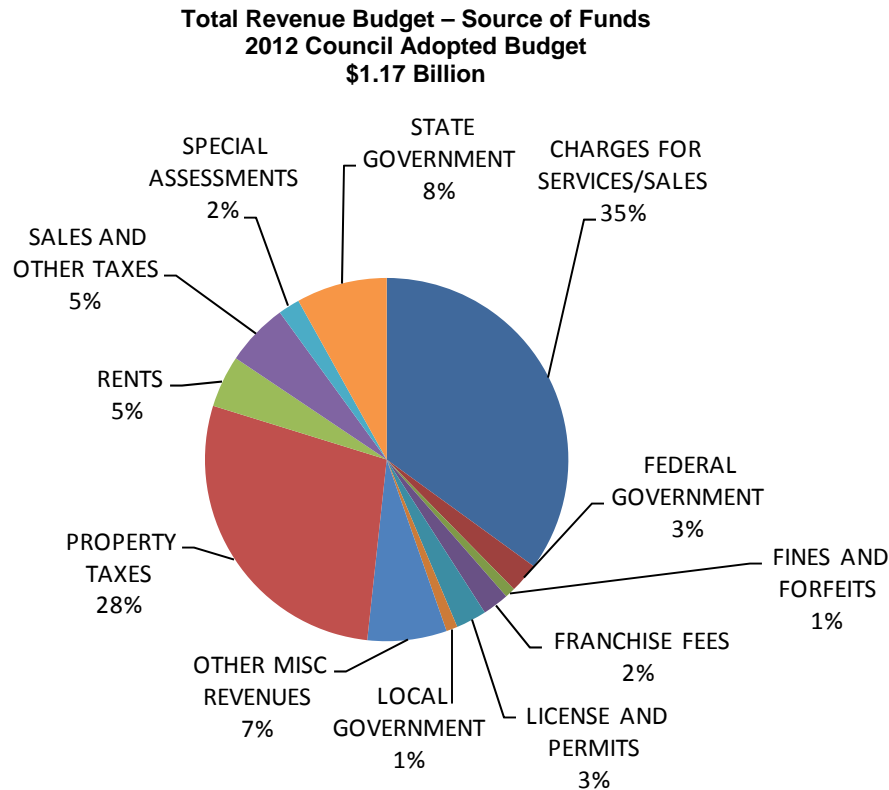
\*\*\*\* Includes Board of Estimate and Taxation, the City's Contribution to Minneapolis Public Housing Authority, and Municipal Building Commission

\*\*\*\*\*Property Services has been moved to Finance except for the Development Properties division and Parking Facilities division. CPED will contract out for the maintenance of the department's properties. This history here reflects the Development Properties division of Property Services.

**Note:** See "City Council Operating Departments" and "Independent Boards and Agencies" sections in the budget document for further explanation of changes between years.

## City Sources of Revenue

Below is a summary of the 2012 Council Adopted Budget revenues by major category.



In 2012, the City forecasts \$1.17 billion in revenue from a variety of sources. Many of the City's revenue sources are restricted, meaning they are required to be spent in defined areas or on specific programs or projects. This limits the City's ability to apply the revenue to other departments or programs. The City charges fees for services such as water, sewer and garbage pickup, but State law requires that these fees be no higher than the cost of providing the services. For example, the City cannot raise water bills to pay for citywide police services.

Grants and transfers from the Federal Government and other units of government are usually designated for specific needs and purposes. If the City does not spend such grants for their designated purpose, the City will not receive the grants. Some cities increase revenues through assessments for current services, which are also tied to specific purposes like street or sidewalk maintenance. Bond proceeds must go to purposes for which the debt was incurred. Specific sales tax revenues are dedicated to the Convention Center and Convention Center-related facilities by State law. Like many Minnesota cities, Minneapolis pays for core City services (police, fire, streets, parks, etc.) primarily with property taxes and LGA.

## Revenue by Type

Revenue Category	2011 Revised	2012 Council Adopted	\$ Change	% Change
CHARGES FOR SERVICES/SALES	400.2	408.8	8.6	2.1%
FEDERAL GOVERNMENT	52.1	31.0	(21.1)	-40.5%
FINES AND FORFEITS	10.9	10.8	(0.1)	-0.9%
FRANCHISE FEES	27.8	27.5	(0.3)	-1.1%
LICENSE AND PERMITS	31.4	31.8	0.4	1.3%
LOCAL GOVERNMENT	7.5	11.9	4.4	58.7%
OTHER MISC REVENUES	63.7	82.3	18.6	29.2%
PROPERTY TAXES	347.1	328.0	(19.1)	-5.5%
RENTS	54.6	54.1	(0.5)	-0.9%
SALES AND OTHER TAXES	59.6	65.4	5.8	9.7%
SPECIAL ASSESSMENTS	21.7	22.4	0.7	3.2%
STATE GOVERNMENT	107.5	94.4	(13.1)	-12.2%
<b>Total Revenue</b>	<b>\$1,184.2</b>	<b>\$1,168.5</b>	<b>(\$15.7)</b>	<b>-1.3%</b>

Note: LGA is reflected in the State Government line.

The change in property tax revenue shows a different change than the change in levy because of decreased tax increment property tax revenue resulting from the decertification of tax-increment financing districts.

### Franchise Fees

Utility companies pay the City franchise fees for their use of the public right-of-way. Franchise fees are calculated as a percentage of each company's total utility revenues, so the amounts paid to the City vary. The 2012 Council Adopted Budget anticipates the total franchise fee revenue will decrease by \$0.3 million from the 2011 Council Adopted Budget, from \$27.8 million in 2011 to \$27.5 million in 2012. The decline in revenue is due to declining usage of natural gas.

There are four franchise agreements that provide revenue for the City. The franchise agreement with Xcel Energy for electricity requires the company to pay the City 5% of its gross revenues for Minneapolis residential service customers, 3% of gross revenues for Minneapolis commercial/industrial customers, and 5% of gross revenues for Minneapolis small commercial/industrial customers. The residential rate will drop to 4.5% of gross revenues beginning in January 2013. This franchise agreement expires on Dec. 31, 2014. Xcel does not provide natural gas services in Minneapolis. For 2012, the Council Adopted Budget anticipates Xcel will pay the City \$16.2 million from this agreement, up from \$15.5 million in 2011.

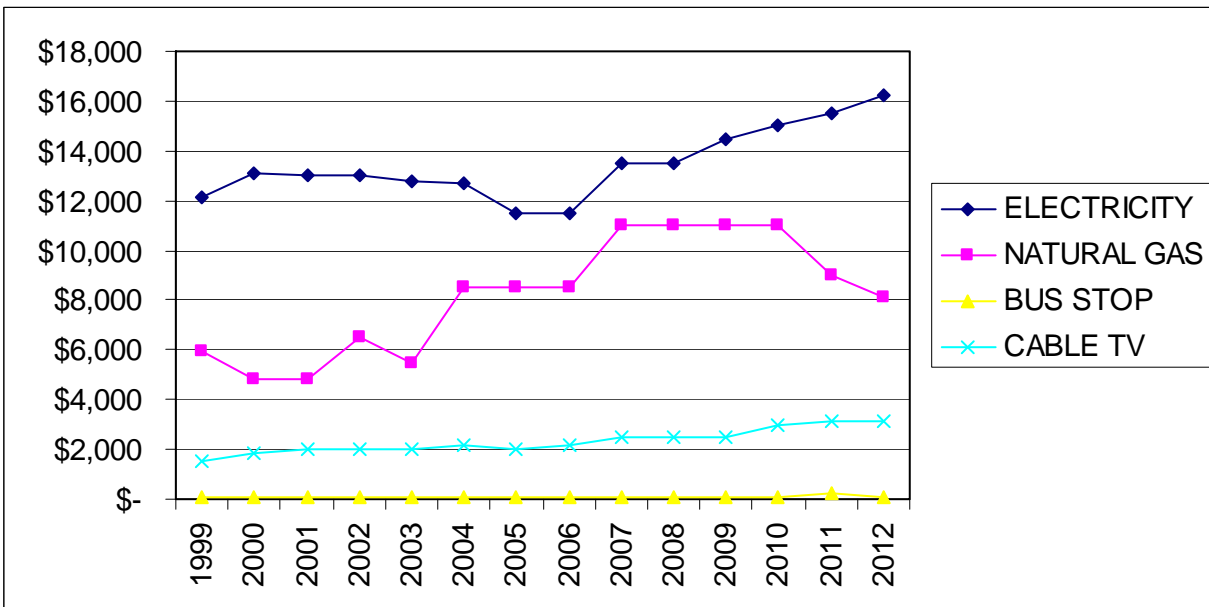
The franchise agreement with CenterPoint Energy for natural gas requires the company to pay the City 4.25% of gross revenues for Minneapolis residential buildings with four units or less, 5% for small commercial/industrial/firm or "interruptible" customers (customers who have agreements to allow their service to be interrupted, generally during peak loads), and 3% for large volume interruptible customers. This franchise agreement expires on Dec. 31, 2015. For 2012, the Council Adopted Budget anticipates CenterPoint Energy will pay the City \$8.1 million from this agreement, a decrease of \$0.9 million from the 2011 amount.

The city also has two smaller franchises. The bus stop advertising franchise will generate approximately \$100,000 in revenues for the City in 2012, and the City's cable television

franchise is anticipated to generate \$3.1 million for the City in 2012. Comcast collects this fee from subscribers to help fund public services such as police, fire and public works as they relate to maintenance and regulation of the City’s rights-of-way. Comcast also collects an “access fee” from subscribers to support public, educational and government (PEG) access programming. It is estimated Comcast will collect \$800,000 from subscribers for the access fee in 2012, up \$350,000 from 2011. There are ten PEG channels in the City of Minneapolis: four public, three educational and three government channels.

Recent rules issued by the Federal Communications Commission governing the way cities award cable TV franchises may impact this revenue source in the future. Keeping the franchise authority at a local level will ensure that the provider fairly compensates the City for the private use of public rights-of-way, provides access to cable services for all residents, ensures proper repair of streets and roadways after cable installations, provides continuous availability of PEG access channels and protects consumer rights.

**Franchise Fee Revenue 1999-2012  
(in thousands)**



## Budget by Fund

The City uses different “funds” to account for expense and revenue associated with the various services provided. The **General Fund**, where the City accounts for most property tax supported services, represents 28% of the 2012 Council Adopted Budget.

**Special Revenue Funds** are used for personnel costs, operating costs, contractual services and equipment. These funds support the convention center, health and family support, public safety, Federal, State and local grants and ongoing support of closed pension funds.

**Capital Project Funds** include permanent improvement and arbitrage funds and are used for the construction of infrastructure projects.

**Debt Service Funds** are used to pay interest and principal on City debt.

**Internal Services Funds** are similar to Enterprise Funds in that they are used to account for business-like services that the City provides to City departments. Internal services include information technology, equipment rental (e.g. police squad cars and fire equipment), property services, tort claims, and workers compensation claims.

**Enterprise Funds** include services that the City provides that operate like a “business.” Charges for services are expected to recover operating costs, indirect costs, capital investments, and interest expense. Enterprise services of the City include sanitary sewer services, stormwater management and flood mitigation, water treatment and distribution, solid waste and recycling, and parking.

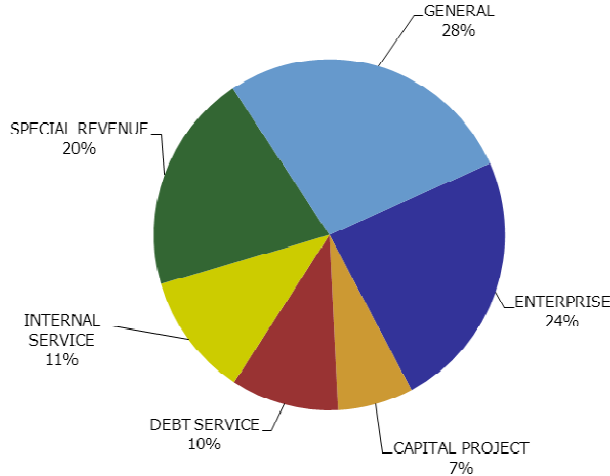
The following tables reflect the expenditures and revenues for these funds:

### Expense and Revenue by Fund Type (in millions of dollars)

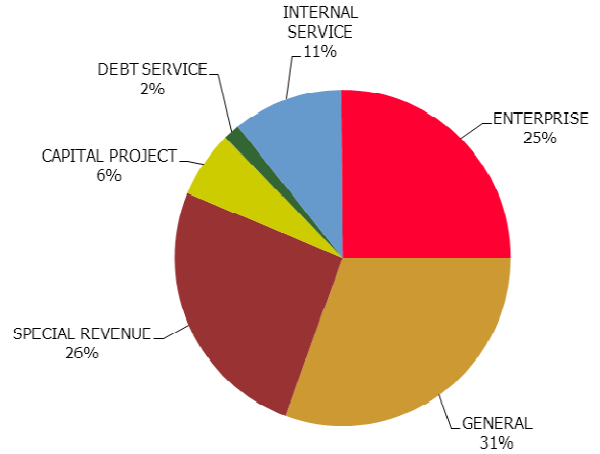
	2011 Revised	2012 Council Adopted	Percent Change	Dollar Change
<b>Expense</b>				
GENERAL	331.1	337.9	2.0%	6.7
SPECIAL REVENUE	272.3	248.0	-8.9%	(24.3)
CAPITAL PROJECT	96.2	85.1	-11.5%	(11.0)
DEBT SERVICE	71.1	121.6	71.0%	50.5
INTERNAL SERVICE	135.2	138.9	2.7%	3.7
ENTERPRISE	286.3	293.1	2.4%	6.9
<b>Total</b>	<b>\$1,192.2</b>	<b>\$1,224.6</b>	<b>2.7%</b>	<b>\$32.5</b>
<b>Revenue</b>				
GENERAL	351.4	356.9	1.6%	5.5
SPECIAL REVENUE	320.7	300.5	-6.3%	(20.2)
CAPITAL PROJECT	77.8	75.1	-3.5%	(2.7)
DEBT SERVICE	27.2	18.5	-32.1%	(8.7)
INTERNAL SERVICE	123.9	123.7	-0.2%	(0.3)
ENTERPRISE	283.1	293.7	3.7%	10.6
<b>Total</b>	<b>\$1,184.2</b>	<b>\$1,168.5</b>	<b>-1.3%</b>	<b>(\$15.8)</b>

Note: This chart shows General Fund revenues higher than expenditures due to the removal of transfers from the presentation of the 2012 Council Adopted Budget. Transfers are included in the Financial Plans section of the budget detailing the General Fund.

**Total City Expense Budget by Fund  
2012 Council Adopted Budget  
\$1.22 Billion**



**Total City Revenue Budget by Fund  
2012 Council Adopted Budget  
\$1.17 Billion**



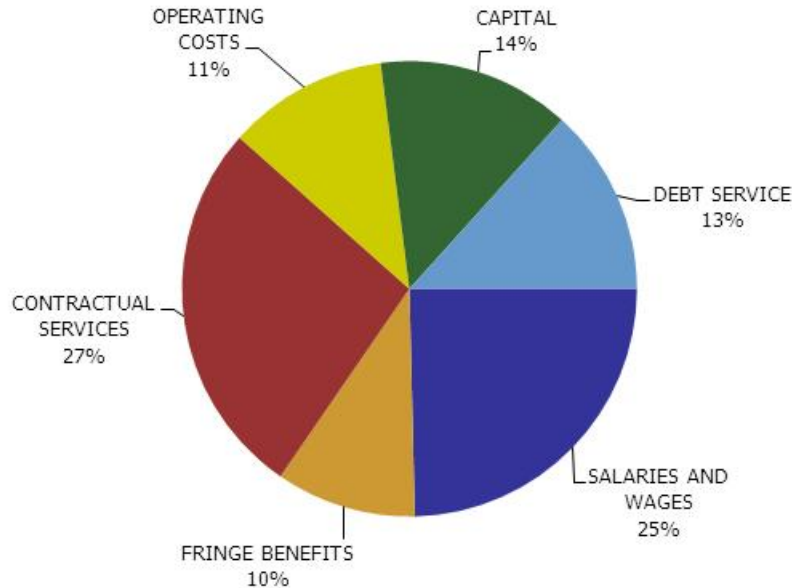
A significant amount of the City's budget is spent on personnel, \$412 million or 34% of the total budget. The 2012 Council Adopted Budget includes an overall decrease of 139 budgeted full-time equivalent positions, inclusive of independent boards.

**Spending by Major Categories  
(in millions of dollars)**

Expense	2011 Revised	2012 Council Adopted	\$ Change	% Change
CAPITAL	182.8	170.8	(12.0)	-6.6%
CONTRACTUAL SERVICES	326.0	318.8	(7.2)	-2.2%
DEBT SERVICE	133.3	180.9	47.6	35.7%
FRINGE BENEFITS	116.8	119.1	2.3	1.9%
OPERATING COSTS	138.5	141.8	3.3	2.4%
SALARIES AND WAGES	294.7	293.3	(1.4)	-0.5%
<b>Total Expense</b>	<b>\$1,192.2</b>	<b>\$1,224.6</b>	<b>\$32.5</b>	<b>2.7%</b>

\*The Capital category includes capital improvements in the City's Capital Program as well as capital expenditures within operating departments.

**Total City Budget – Expenditures by Category  
2012 Council Adopted Budget  
\$1.22 Billion**



**Major Budget Pressures:**

➤ **Funding for Physical Infrastructure**

**Five Year Capital Program Totals:** For 2012 – 2016, the five year capital program for City departments, independent boards and commissions totals \$641.66 million including all funding sources. The 2012 portion of this program is \$100.13 million. Due to cuts in Local Government Aid as part of the State of Minnesota’s adopted biennial budget, the City was forced to eliminate \$45 million of planned capital improvements funded with general fund transfers. In response, since the City can no longer afford to postpone needed improvements to infrastructure, this budget recommends a \$56.565 million increase in net debt bond funding in the five-year capital plan over the previously adopted plan.

The Net Debt Bond (NDB) program is paid for with property tax collections. The five year financial direction for the bond redemption levy included increases in 2014 and significant increases in 2015 and beyond for capital improvements. These increases are possible because as the demand for property tax resources for the internal service fund financial plans are reduced, the bond redemption levy is increased. In order to expedite capital improvements in 2012 and 2013, the City will extend debt maturities slightly longer than current practice for new issuances until the higher bond redemption levies are realized. This plan also includes an increase in base levies of approximately \$4 million starting in 2014 versus the previous long-term financial plan to pay for the higher capital level. These property tax supported net debt bonds help to leverage many funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) - more details are contained later in this document.

**Expanded NDB Resources for Capital Improvements:** The net debt bond funding previously approved for programming for 2012 - 2016 was \$93.435 million. The \$56.565 million NDB

increase recommended will allow for \$150 million of capital programming over the next five years. The NDB increase is part of the long-term plan to continue the infrastructure acceleration program which concludes in 2013. The decline in the street infrastructure this past spring coupled with the loss of LGA funding which reduced future paving expenditures by \$45 million from 2011 - 2015, has resulted in this net debt increase being recommended sooner than originally anticipated. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. These additional resources are combined with municipal state aid, special assessments and Infrastructure Acceleration Program (IAP) funds. Total funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

(\$ millions)	2012	2013	2014	2015	2016	Totals
Original Net Debt Bonds	\$17.310	\$17.675	\$18.050	\$20.000	\$20.400	\$93.435
Net Debt Bond Increase	8.690	22.570	11.550	9.155	4.600	\$56.565
<b>Total Net Debt Bonds by Year</b>	<b>\$26.000</b>	<b>\$40.245</b>	<b>\$29.600</b>	<b>\$29.155</b>	<b>\$25.000</b>	<b>\$150.000</b>

**Property Tax Supported – Public Works:** The 2012 capital budget includes \$19.87 million in property tax supported (NDB) funding for Public Works projects. Included in this 2012 amount is \$1.0 million for economic development related projects to enhance the property tax base. These economic development projects will be managed by the Community Planning and Economic Development Department in cooperation with the Public Works Department and can be found in the Street Paving section of the capital program. Below is a summary of the 2012 - 2016 NDB allocation for the Public Works infrastructure program, including the economic development projects.

(\$ millions)	2012	2013	2014	2015	2016	Totals
<b>Net Debt Bond funding</b>	<b>\$19.87</b>	<b>\$30.60</b>	<b>\$22.62</b>	<b>\$21.20</b>	<b>\$15.67</b>	<b>\$109.96</b>

**Neighborhood Parks Infrastructure Funding:** The 2012 capital budget includes \$4.5 million for Park improvements including \$2.5 million of net debt bonds, \$1.5 million of Park capital levy and \$.50 million of infrastructure acceleration funding. Below is a summary of the total 2012 – 2016 funding for park board capital improvements.

(\$ millions)	2012	2013	2014	2015	2016	Totals
Net Debt Bond funding	\$2.50	\$5.00	\$2.50	\$2.50	\$2.50	\$15.00
Park Capital Levy	\$1.50	1.50	1.50	1.50	.90	\$6.90
Infrastructure Acceleration funding	\$0.50	0.50	0.00	0.00	0.00	\$1.00
<b>Total Park Board Capital funding</b>	<b>\$4.50</b>	<b>\$7.00</b>	<b>\$4.00</b>	<b>\$4.00</b>	<b>\$3.40</b>	<b>\$22.90</b>

**Property Tax Supported – Municipal Building Commission (MBC), BIS Technology and Miscellaneous Projects:** The 2012 capital budget includes \$3.63 million in property tax supported funding for these categories. Projects include public art, technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings, including City Hall. These categories use 16.7% of the available net debt bond funds in the five-year plan. Below is a summary of the 2012 - 2016 net debt funding for MBC, BIS Technology and Miscellaneous projects.

(\$ millions)	2012	2013	2014	2015	2016	Totals
<b>Net Debt Bond funding</b>	<b>\$3.63</b>	<b>\$4.65</b>	<b>\$4.48</b>	<b>\$5.45</b>	<b>\$6.83</b>	<b>\$25.04</b>



**Infrastructure Acceleration Program (IAP):** In addition to the net debt bond funding indicated above, this capital budget continues the infrastructure acceleration program with \$10.30 million over the final two years of this program to provide additional investment in paving projects, economic development, street lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding for this program comes from one-time trust funds and also leverages other funding sources – see funding details for specific projects later in the document which are identified as “Transfer from Special Revenue Funds”.

(\$ millions)	2012	2013	Totals
Paving Programs	\$1.85	\$2.35	\$4.20
Major Pavement Maintenance	1.00	.80	1.80
Development Projects	1.00	0.00	1.00
Parkway & City Street Lighting	1.05	1.05	2.10
Bike Trail Maintenance	0.10	0.10	0.20
Park Infrastructure	0.50	0.50	1.00
<b>Total IAP Program</b>	<b>\$ 5.50</b>	<b>\$ 4.80</b>	<b>\$10.30</b>

**Utility Fee Supported Capital:** The 2012 - 2016 capital budget includes funding for sewer and water related infrastructure projects supported by utility rates. For the five-year plan, the Sanitary Sewer System has two projects totaling \$33.75 million, the Storm Sewer System has eight projects totaling \$84.17 million and the Water Department has four projects totaling \$88.40 million, exclusive of reimbursable projects. Long-term financial plans are used to determine utility fees required to support the sewer and water operations and infrastructure. For 2012, the Sanitary Sewer and Water rates are being changed to have both a variable rate component based on water usage and a fixed rate component based on meter size. Individual project details and utility rate details for the Sewer and Water funds can be found later in this document.

**Relationship between the Capital and Operating Budgets:** As part of each capital budget request, departments and independent boards identify whether the capital request will result in an increase or decrease in annual operating costs. The CLIC ranking process provides for adding or subtracting up to 30 points out of 300 for operating cost implications. Proposals indicating an increase in operating costs without a clear definition of how the costs will be funded stand to lose points and those that reduce annual operating costs or have a responsible strategy to pay the increased costs may receive extra rating points.

➤ **Funding for Neighborhoods**

Beginning in January 2012 all neighborhood funding programs will be administered by the Neighborhood and Community Relations Department. This includes funding for Neighborhood Revitalization Program (NRP) Phase I and II projects as well as the Community Participation Program (CPP). NRP funds will be the source of funding for the CPP in 2012 and 2013. Neighborhoods will continue to establish their own priorities, and recommendations on CPP funding allocations will be made by a reformed NRP Policy Board, which will consist of representatives of the Mayor, City Council, Hennepin County Board, School Board, Park Board, legislative delegations, and the Minneapolis Neighborhood and Community Engagement Commission.

➤ **Funding for Pension Liabilities**

The City's payments to its closed pension funds are not projected to increase. However, without the legislation that merged the Minneapolis Police Relief Association (MPRA) and

Minneapolis Fire Relief Association (MFRA) into the Public Employees Retirement Association Police & Firefighters Fund (PERA P&F), these costs would have otherwise increased. Costs for these two funds are actually projected to drop from 2011 to 2012 now that the merger legislation has been approved by the two funds, their membership, PERA, and the City. Overall costs between 2011 and 2012 decrease only slightly however because of the increased obligation to the Minneapolis Employee's Retirement Fund (MERF) which merged into PERA in 2010. MERF costs are expected to remain nearly steady from 2013 – 2032 after large increases from 2011 – 2012.

Without the legislatively approved changes to the MPRA and MFRA, City payments provided from property taxes would be \$20.5 million higher in 2012, at \$23.1 million, versus the actual payment due in 2012 of only \$2.6 million for obligations to those two plans. The overall obligation for all three closed funds falls from \$23 million in 2011 to \$20.1 million in 2012.

***The Minneapolis Employee's Retirement Fund (MERF) Division of PERA:***

The 2012 payment to PERA for MERF-related costs is \$19.5 million, of which \$17.5 million is financed through the property tax levy and \$2.0 million financed through non-tax funds. The 2012 Council Adopted Budget allocates funds necessary for redeeming the remaining principal on the \$61 million in MERF related bonds issued from 2002-2003.

Due to poor market returns in 2008, MERF was only 56% funded as of June 30, 2009. This placed MERF's funding status in a serious negative position that required immediate attention. During the 2009-2010 legislative session, legislation was approved that merged MERF into PERA in July, 2010, with annual funding commitments from the City from 2012 – 2032 in the range of \$20-\$23 million per year. This represents the second time that the City will fund its MERF obligations as the City had previously fully funded the pension plan for each retiree at the time of their retirement. If the consolidated MERF plan does not meet actuarial assumptions for its investment returns, the City, State and other MERF employers could see additional costs associated with MERF.

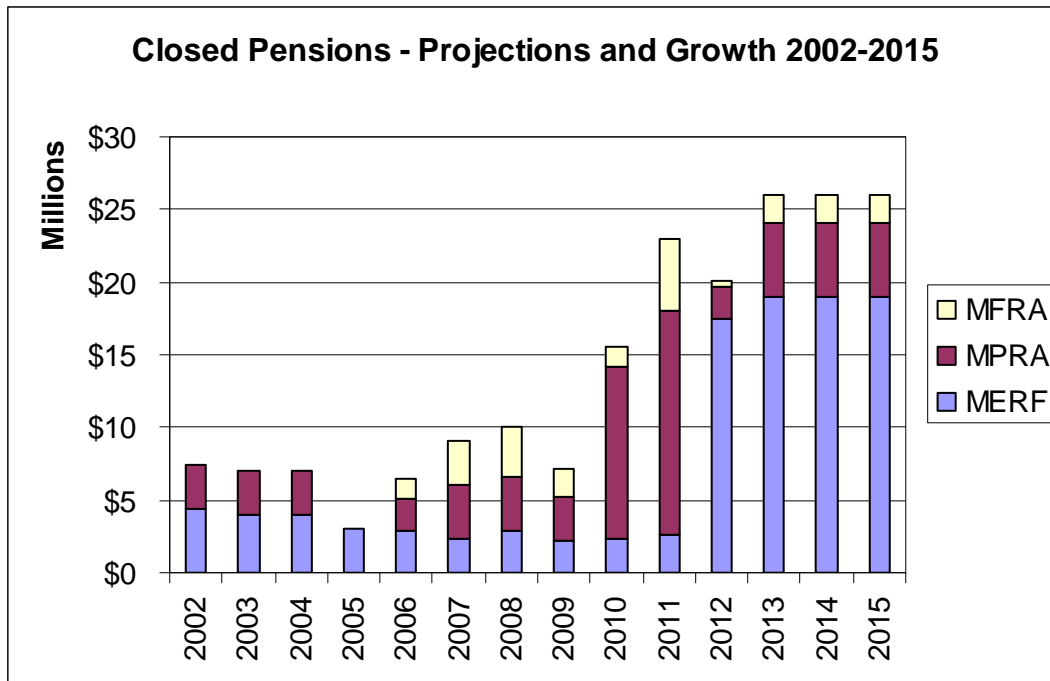
***Minneapolis Police Relief Association (MPRA), a closed fund:***

In 2011, legislation was passed by the State that merges the MPRA into PERA P&F. This legislation has been authorized by the entities which needed to approve it, and the merger was effectuated January 1, 2012. The 2012 budget for the City's contribution to the MPRA will be redirected to PERA P&F. In 2011, the City's levy contribution to MPRA was \$15.5 million. With enactment of the legislation, the 2012 City contribution drops to \$2.3 million. Without the legislation, the levy would have been \$17.9 million. The 2012 budget also includes money to redeem the remaining principal on the \$53 million in bonds that were issued from 2002-2004.

***Minneapolis Fire Relief Association (MFRA), a closed fund:***

In 2011, legislation was passed by the State that merges the MFRA into PERA P&F. This legislation has been authorized by the entities which needed to approve it, and the merger was effectuated January 1, 2012. The 2012 budget for the City's contribution to the MFRA will be redirected to PERA P&F. In 2011, the City's levy contribution to MFRA was \$4.9 million. With enactment of the legislation, the 2012 City contribution drops to \$0.3 million. Without the legislation, the levy would have been \$5.2 million.

The following graph shows the historical and projected levy using current projections for the former Minneapolis closed funds (MPRA and MFRA), with the Minneapolis share of the MERF Division of PERA in the form of levy:



**Teacher’s Retirement Association (TRA):**

The 2006 Legislative session combined the Minneapolis Teachers Retirement Fund Association (MTRA) with the State’s Teachers Retirement Association (TRA). As part of the legislation the City was required to redirect its annual \$2.25 million MTRA tax levy to TRA through 2037. State law changed the \$2.25 million City levy to a contribution in 2012, causing the City to have to levy more as the City does not collect 100% of what it levies. In 2012, the City will levy \$2.45 million for TRA, an increase of \$200,000. The increased contribution to the TRA in 2012 also includes \$80,000 in back taxes due to the TRA.

**Public Employees Retirement Association (PERA), the plan for most current City employees:**

The employers’ contribution level in PERA’s Coordinated Plan is 7.25% in 2012, steady from 2011. The police and fire plans’ employer’s contribution level remains at 14.4% in 2012, steady from 2011. The estimated total cost to the City in 2012 is \$27.4 million, which is covered in the department budgets where the employees work.

	2011	2012	Change
<b>PERA</b>	\$13.1	\$13.1	\$0.0
<b>PERA P&amp;F</b>	\$14.5	\$14.3	-\$0.2
<b>Total</b>	\$27.6	\$27.4	-\$0.2

In 2012, the combined total City cost of the open and closed pension funds is \$51.75 million.

➤ **Funding for internal services funds long-term financial plans**

During the 1990s, due to other external demands, the revenue to support these internal services did not keep pace with the growth in expenditures. Significant negative cash balances resulted because annual expenses exceeded revenues. Today, the combined balance is no longer negative. This is a significant improvement over the position of the funds since 2000 when the net asset deficit was \$61.7 million. At year-end 2010, the City’s three internal services funds with long-term financial plans had combined net assets of \$53.1 million. Additionally, all three funds had positive cash balances at 2010 year-end.

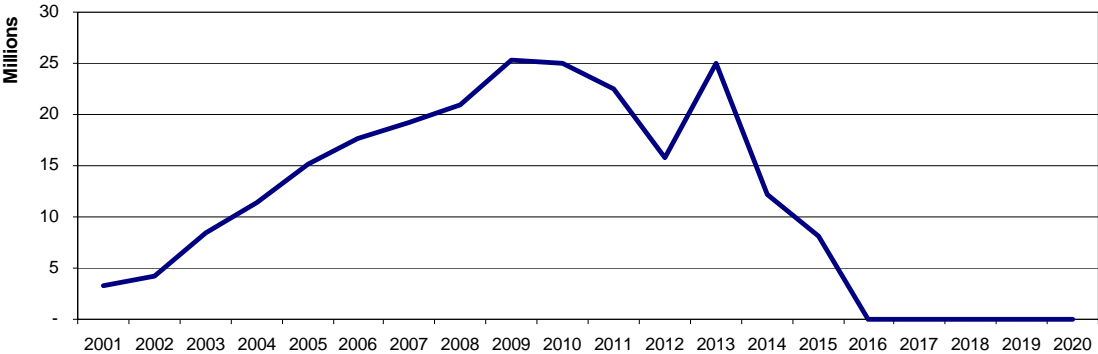
**Status of Workout Plans (in millions)**

	<b>Adopted</b>	<b>Original Cash Deficit (2000)</b>	<b>Original Net Asset Deficit (2000)</b>	<b>2010 Year-End Net Assets</b>	<b>Target Date for Positive Cash Balance</b>	<b>2010 Year-End Cash Balance</b>
Self-Insurance	2003	\$ (8.1)	\$ (49.5)	\$ (6.6)	2007	\$ 41.2*
Equipment	2001	(16.6)	0.0	30.6	2003	8.2
BIS	2000	(12.9)	(12.2)**	16.9	2009	8.4
<b>Internal Service Fund Total</b>		<b>\$ (37.6)</b>	<b>\$ (61.7)</b>	<b>\$ 53.1</b>		<b>\$ 57.8</b>
Parking Fund	2004	\$ (8.6)	\$ 75.7	\$148.3	2010	\$ 12.8

\*Status does not include \$2.5M due from other funds.

\*\*Due to GASB 34, the net asset balance for BIS decreased from (\$12.2) in 2000 to (\$36.3) million in 2001.

**General Fund Support for Internal Service Funds**



The financial plans of the Self-Insurance, Fleet, and Intergovernmental Services (BIS) internal service funds call for transfers from the General Fund to eliminate deficits. The graph above presents the schedule of General Fund transfers to the three internal service funds with deficits.

To meet the goals of the adopted long-term financial plans, these transfers continue to make up a substantial portion of the City's budget. In order to create capacity over the ten-year plan which is used to hold down property tax levy increases in 2016 onward, the Council adopted an acceleration of the workout plan transfer schedule, thereby moving up full completion of these obligations from 2019 to 2015. This acceleration caused a spike in planned General Fund obligations in 2013 as indicated on the preceding graph. Transfers to the Self Insurance Fund and Equipment Fund will be completed in 2014; transfers to the Intergovernmental Services Fund and Property Services Fund will be completed in 2015.

Additionally, given the financial performance of the Intergovernmental Services Fund, the Council adopted a reduction in obligations to the fund of \$3.6 million over three years. For more detailed information about the amount of the workout plan transfers, please see Schedule 8 in the Financial Schedules section of the budget book.

➤ **Growth in personnel costs**

- **Personnel Changes.** The 2012 Council Adopted Budget reduces the FTE count of City positions by 98 from 3,754 to 3,656, saving the city an estimated \$9 million in ongoing annual costs. In just three years, from 2009 to 2012, the City FTE count will have been reduced by 445 positions. When including independent boards, the three year reduction is 516 FTE, from 5,327 to 4,811 FTE, with a reduction of 139 FTE from 2011 to 2012.
  - **Salary and wages.** The 2012 Council Adopted Budget includes a slight increase in personnel expenditures (a 2012 total of \$293.3 million in salaries and wages, \$119.1 million in fringe benefits). For City positions, not including independent boards, growth in salary and wages are again budgeted at 0% in 2012 after no budgeted increase in 2011 for bargaining units without settled contracts. For units with settled contracts in 2011, a 0% assumption is used for 2012 and 2013.
  - **Benefits.** Health and dental insurance expenditures are budgeted to increase from \$57.0 million to \$58.9 million. This estimate is based on changes and experience related to the current plan design and the competitive procurement processes. The anticipated health premium increase in 2012 is 4% due to continuation of the current contract.
- **Continuing library obligation to Hennepin County.** Minneapolis libraries merged with the Hennepin County system in 2008. In addition to the \$9.3 million market value referendum supported by Minneapolis taxpayers, the merger finance plan calls on Minneapolis for an additional declining base contribution for 10 years. In 2012, that contribution is approximately \$5.0 million. The City will also continue to pay the library's share of the MERF pension debt service in addition to the outstanding debt service on other bonds that have already been issued by the City for Library purposes.

**Finance Plan For Hennepin County Library/Minneapolis Library Merger (in thousands):**

	Base	Reopen (1)		Reopen	Other City (2)	Total City	Library LGA (3)	Prop tax (4)	One Time (5)	Total
2008	\$7,800	\$445	100%	\$445	\$10,650	\$18,895	\$6,800	\$10,650	\$1,445	\$18,895
2009	\$7,020	\$463	100%	\$463	\$10,650	\$18,133	\$6,800	\$10,650	\$683	\$18,133
2010	\$6,240	\$481	100%	\$481	\$10,650	\$17,371	\$6,721	\$10,650		\$17,371
2011	\$5,460	\$501	79%	\$393	\$10,750	\$16,603	\$5,853	\$10,750		\$16,603
2012	\$4,680	\$521	58%	\$302	\$10,750	\$15,732	\$4,982	\$10,750		\$15,732
2013	\$3,900	\$541	38%	\$206	\$10,750	\$14,856	\$4,106	\$10,750		\$14,856
2014	\$3,120	\$563	21%	\$118	\$10,750	\$13,988	\$3,238	\$10,750		\$13,988
2015	\$2,340	\$586	4%	\$23	\$10,750	\$13,113	\$2,363	\$10,750		\$13,113
2016	\$1,560	\$609	0%		\$10,850	\$12,410	\$1,560	\$10,850		\$12,410
2017	\$780	\$633	0%		\$10,850	\$11,630	\$780	\$10,850		\$11,630

(1) The cost to reopen 3 libraries at 24 (2) and 20 (1) hours per week. Annual costs are inflated 4% per year after 2008.

(2) Other City includes debt service on referendum and net debt bonds/MERF contributions. Final referendum debt service in 2031.

(3) Library LGA is the amount of LGA allocated to Libraries not exceeding the 2007 level.

(4) Property tax amounts are in City's five-year financial plans.

(5) The City will be responsible for these one-time costs.

(6) Net Debt is the City's adopted five-year capital improvement plan plus \$500,000 for Walker library improvements.

➤ **Technology funding**

The City has two main financing mechanisms for technology:

*Property tax supported debt financing in the City's capital program:* Since 2003, the City has programmed about \$1.5-\$2.0 million annually in property tax supported projects, financed by debt, as prioritized by BIS and the department heads. These technology assets are capitalized and the bond payments are structured within the useful life of the asset. For 2012, a total of \$1.3 million in technology projects are funded through property tax supported debt as planned for in the capital program. The five-year plan totals \$5.3 million.

*Pay-as-you go:* On occasion, the City will allocate current year funding for a technology project with existing resources rather than issuing bonds.

Regardless of the initial funding source for a capital project, funding the ongoing operating costs for new technology has been a challenge for the City.

➤ **Enterprise Challenges**

In the course of the City's annual business and strategic planning process, City departments review and document the most significant trends and challenges affecting their work. While some of these issues are specific to department business, several enterprise-wide themes emerge. A summary of enterprise challenges follows:

*Economic Downturn*

Recent financial downturns in the economy coupled with State budget cuts and reduced funding from the Federal government have led to challenges at the City. At a time when demand for services is up, funding is reduced. For example, the increased foreclosure rate in Minneapolis results in an increased need for home inspection and monitoring.

### *Shrinking Workforce and Increased Demands*

Because of the economic downturn and increasing hardship on the City's taxpayers, the City has made very significant cuts to its workforce, reducing position counts by over 500 across all departments and independent boards since 2009. This has significantly increased pressure on those remaining employees as the workload has not decreased. Increasing demands on employees coupled with decreasing inflation-adjusted wages also creates potential problems with retaining personnel with a high level of institutional knowledge.

### *Increased Demand for Technological Solutions*

Departments note an increased technological savvy of customers, and as a result, increased demand of technological approaches to customer service. This translates into additional costs for new equipment and in particular, increased maintenance costs. For example, several enterprise software systems will need to be upgraded over the next three years, the full financial impact of which is not yet known. Other examples include increased computer and internet bandwidth usage, and a drive toward enhancing the City's interaction with residents through technological means.

### *Regulatory Complexity/Unfunded Mandates*

Departments have noted increased complexity of protocols and regulations at many levels. Civil Rights notes increased complexity of investigation protocols. Regulatory Services cites State codes, protocols, and building standards that are placing additional strains on the workload of inspectors. Public Works notes increased costs for inflow and infiltration required by Metropolitan Council Environmental Services. The City Clerk notes additional election requirements as a result of the implementation of Instant Runoff Voting (IRV). Additionally, public safety departments face legislative-directed or nationally developed standards, training, or operating procedures. Departments indicate a need for increased and improved employee training, possibly placing short-term strain on productivity, to address these complexities.

### *Reliance on Tenuous Inter-Governmental Funding*

Reliance on tenuous funding from State and Federal entities for some important City programs complicates the management and planning for these programs, and for the outcomes they hope to achieve. Local Government Aid from the State has been unpredictable with statewide reductions and year-to-year fluctuations, with the stability of the program tied to the State's financial health. The uncertainty that surrounds these funds drains the time and energy of City managers from administering programs to ensure the best outcomes possible.

The recent American Recovery and Reinvestment Act (ARRA) from the Federal government has helped Minneapolis mitigate the cuts from other funding sources, but the funding is only temporary and does not provide a long-term solution to funding shortfalls. Most of the benefits that the City has received from this program come to an end by 2013.

Health programs have also faced State and Federal cuts recently. Medicare eligibility cuts, State of Minnesota public health care cuts, and reduced funding in early childhood and youth development affects the ability of City departments to project the health of residents. In addition, CDBG funding from the Federal government continues to be cut, from \$19.8 million in 2010 to \$14.8 million in 2012.

### *Homeland Security*

Ensuring adequate physical security, health security, electronic security (prevention of viruses, worms, and other system security threats), information backups, and emergency planning consumes resources of nearly every department. Departments continue to build and strengthen relationships with other governmental entities to maximize the effectiveness of security planning.

### *Stadium/Hospitality Facilities*

Construction of several major stadiums - Target Field, the University of Minnesota's football stadium and a possible new multi-purpose (including the Vikings) stadium - has and will continue to increase the workload for the City. Such large development efforts require extensive planning and zoning, appraisals, and more permit work due to demolition, new construction and redevelopment associated with the projects. The City must also contribute toward maintenance of the Target Center and Convention Center.

### *Aging Infrastructure*

There are not adequate resources available for maintenance or replacement at most cost-effective frequencies. Public Works' pavement condition index reports the City's roads, bridges and other infrastructure are deteriorating. The Fire Department has noted a funding shortage for equipment updates in the next five to ten years as equipment reaches the end of its useful life cycle. City Hall and other City facilities are in need of upgrading their mechanical and safety systems. Similar concerns are also noted by the Target Center and Convention Center.

### *Foreclosure*

The volume of foreclosures poses challenges. The Minneapolis foreclosure recovery plan is a strategic and timely government intervention for prevention, reinvestment and market repositioning to the extent necessary to "tip" the market in our neighborhoods. As the housing market begins to decline, Minneapolis continues to employ foreclosure prevention outreach and counseling, engage in community building and marketing efforts to prepare the market for a rebound, and promote rental and homeownership property development. Minneapolis has also partnered with other organizations to clear or rehabilitate dilapidated homes and pursue infill development on vacant lots.

### *Other Trends*

The downtown real estate market continues to have an oversupply of office space available due to the weak commercial market dating back to 2003.

The transfer of property tax burden from commercial and industrial properties to residential properties continues, resulting from valuation changes and State law.



## Major Changes in the 2012 Council Adopted Budget

*The 2012 Council Adopted Budget incorporates a new funding methodology based on funding programs instead of departments. Because the City is in the midst of incorporating this policy into its budget process, the information below is descriptive of changes the Mayor and Council made to program submissions from departments, organized by department. It is anticipated that in future years, program submissions and organization of the department will be based on goal areas as opposed to departments.*

### ➤ Citywide

Department budgets reflect no increase in City salary schedules for 2011 or 2012 with unless units have a settled contract. For contracts that were settled in 2011, budgets for salary schedule increases should be adjusted in 2012 and 2013. While the 2012 budget does not include salary schedule increases, the budget has been adjusted for additional salary costs resulting from step movement in 2011. This assumption change does not affect Independent Boards. In 2012, no department has a settled bargaining unit contract so a 0% salary schedule adjustment was included citywide with the exception of independent boards.

The Mayor's Recommended Budget reduced health care budgets for all departments to reflect the final contract for health care costs in 2012. The Council adopted the Mayor's recommendation.

Internal Service Fund obligations: The 2008 adopted long-term financial plans begin reducing the General Fund's contribution to the internal service funds in 2010, but to create capacity in order to hold down property tax levy increases in future years, the General Fund will accelerate the workout plan schedule from full completion in 2019 to 2015. The Mayor recommended a reduction in obligations to the fund of \$3.6 million over three years. The Council adopted the Mayor's recommendation.

The Mayor's Recommended Budget redeemed the entirety of the remaining principal on the \$114 million in bonds issued for the Minneapolis Employees Retirement Association (now a division of the Statewide PERA pension fund), and the Minneapolis Police Relief Association. This redemption created significant additional debt capacity in future years and eliminated the interest payments associated with the debt that are charged at a 5.8% annual rate. The Council adopted the Mayor's recommendation.

The 2011 departmental expenditures and revenues incorporate changes that occurred during the fiscal year 2011, including reductions enacted as the result of reductions to State Aids as specified in the 2011 Adopted Budget Resolution.

### ➤ Departments

Listed below are summaries of the actions reflected in the Mayor's Recommended and Council Adopted budgets compared to the program budget submissions made by departments.

#### **Assessor**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Attorney**

*Mayor's Recommended Budget:* The Mayor recommended that the department reduce \$300,000 and 2 FTE's, one each in the Criminal Prosecution and Community Attorney Prosecution programs. The difference should be managed with non-personnel reductions.

*Council Adopted Budget:* Council approved the Mayor's recommendations. Additionally, Council made the following staff directions:

- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.

## **BIS**

*Mayor's Recommended Budget:* The Mayor recommended \$240,000 in one-time startup money for the Employee Computing Mobility program and \$50,000 as well as in ongoing costs, for a total of \$290,000 in General Fund money, making no other changes to department program funding.

*Council Adopted Budget:* The Council approved the Mayor's recommendations and amended the budget to decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services Department by \$240,000 and increase 2012 funding in the Communications Department for the MTN program by \$150,000 on a one-time basis, the City Council and Clerk Department by \$30,000 on a one-time basis, and the Internal Audit Department by \$60,000 on a one-time basis.

Further, the Council directed BIS to work with ISPSG to make implementation decisions regarding the deployment of the Employee Computing Mobility Program.

## **City Council & Clerk**

*Mayor's Recommended Budget:* The Mayor recommended:

- Elections Administration: Includes a planned increase of \$500,000 for election year 2012. The Mayor recommended a \$100,000 cut to this program from 2011 spending levels.
- Board of Appeal and Equalization: The Mayor recommended a \$600 cut from 2011 spending levels.
- Records & Information Management: The Mayor recommended no funding for the enhanced program and a \$6,000 cut from 2011 spending levels.
- City Records Center: The Mayor recommended a \$12,000 cut from 2011 spending levels.
- Council Staff – Constituent Services and Policy Development: The administrative portion of these programs remains in Clerk & Elections.
- City Council: The Mayor recommended no change.
- Council Staff – Constituent Services: The Mayor recommended a ten percent reduction from 2011 spending levels because 311 reduces the call volume to Council offices.
- The Mayor recommended that Council be separated from City Clerk and Elections.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendations with the following amendments: Increase the City Council & Clerk Department appropriation by \$125,000 to offset reductions; direct staff to reduce City Council's 2012 ward budgets by 12%, setting each ward budget at a total of \$10,490, transfer \$30,000 from the BIS Employee Mobility Project and transfer that amount of the City Council & Clerk Department and delay final action of funds regarding the 2011 roll-over of individual ward budgets until all 2011 expenses have been accounted and paid, and direct staff to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures. Additionally, Council also combined the budgets of the City Council and City Clerk.

### **City Coordinator Administration**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$20,000 from the department's 2011 program proposals.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

#### **311 (a Division of City Coordinator Administration)**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council decreased the Mayor's Recommended Budget for 311 by \$125,000 on a one-time basis and increased the City Council & Clerk Department appropriation by \$125,000 on a one-time basis.

The Council also directed 311 to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures.

#### **911 (a Division of City Coordinator Administration)**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$50,000 from the department's program proposal.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

#### **Emergency Management (a Division of City Coordinator Administration)**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget for Emergency Management by increasing the department's General Fund allocation by \$226,303 and decreasing Regulatory Services' General Fund budget by \$226,303. Also, the Council directed Regulatory Services to transfer two FTE (an Administrative Analyst I and Administrative Analyst II) to Emergency Management.

The Council further directed the City Coordinator's Administration Department to make regular reports to relevant Council committees on the success of grant applications for emergency management functions.

## **Civil Rights**

*Mayor's Recommended Budget:* The Mayor recommended a 2012 budget of \$2.156 million, including:

- **Contract Compliance:** The Mayor recommended a reduction of \$89,000 and one position from 2011 spending levels.
- **Minneapolis Civil Rights Complaint Investigations Program:** The Mayor recommended a 5%, or \$36,000 cut from 2011 spending levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendations and added \$90,000 and 1 FTE to the department.

## **Communications**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$126,000 including 1 FTE and an additional \$250,000 cut to MTN Public Access Television with other programs funded at current expenditure levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget for the Communications Department by increasing one-time funding for MTN by \$150,000 from the Employee Computing Mobility Program budgeted in the Business Information Services Department.

The Council directed the Communications Department to request from MTN additional information about hours of original programming produced and broadcast, demographic information about contributing producers, training and utilization of studio space, and to report back to Ways & Means/Budget Committee no later than March 1, 2012.

The Communications Department is further directed to complete a best practices study into other models to address public, education and government access television and report back to the Ways and Means/Budget Committee no later than June 20, 2012.

CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

## **Convention Center**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **CPED**

*Mayor's Recommended Budget:* The Mayor recommended funding the department at the requested level with reductions to growth for a slower than anticipated rise in health care costs. The Mayor recommended funding the One Minneapolis program with \$300,000 in one-time funding to be jointly administered with Civil Rights, \$75,000 in one-time funding for the Mayor's regional export growth strategy initiative which will enable Minneapolis to work more effectively

with companies considering exporting or seeking to grow by exporting to additional markets and be implemented through CPED - Economic Development Division's existing business calling plan, and \$150,000 for Greater MSP in one-time funding.

The Mayor also recommended that the department eliminate policy assistance for CLIC, reduce heritage preservation funding by \$123,000 (81,600 in General Fund money), eliminate departmental support for the Arts Commission, and thereby, reducing two FTEs in the planning department. The Mayor's recommendation also included the reduction of four additional FTEs across three programs – Corridor Vitality Investment Program, Minneapolis Youth Program, and Protection, Preservation and Design of the Built and Natural Environment. The Mayor also recommended a \$100,000 program enhancement for the Minneapolis Youth Program.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget by increasing the Year 38 allocations for Other Consolidated Plan Entitlements to HOME Investment Partnerships by \$2,072,652; and to the Emergency Solutions Grant (ESG) by \$1,014,625.

The Council also increased the Year 38 allocation for CDBG for Multi-Family/Affordable Housing by \$164,601.

The Council directed that the Year 38 Community Development Block Grant (CDBG) Consolidated Plan capital allocation to CPED be amended by reducing the allocation to NEDF/CEDF (Great Streets) by \$718,056 and increasing the allocation to Adult Training by \$380,000, increasing the allocation to Commercial Property Investment by \$139,000 and increasing the allocation to the Vacant and Boarded Building Program by \$199,056.

The Council also amended the Mayor's Recommended Budget for CPED by increasing the operating budget as follows:

- (1) Fund 01CUB - United Van/Bus \$200,000;
  - (2) Fund 01CRS - Rosacker Nursery \$525,000;
  - (3) Fund 01CPD - Portland place \$70,000;
  - (4) Fund 01CST - Stinson Tech. Campus \$300,000;
  - (5) Fund 01CFR - Former Federal Reserve \$500,000; and
  - (6) Fund 01CUV - Urban Village \$405,000
- for a total of \$2 million.

The Council further amended the Mayor's Recommended Budget by transferring \$90,000 from the RENEW program within CPED to Civil Rights.

The Council also amended the Mayor's Recommended budget for CPED by increasing CPED's expenditure budget by \$92,000 and increasing CPED FTE by 1 (Zoning Inspector II).

The Council further amended the Mayor's Recommended 2012 Capital Budget for Community Planning and Economic Development to allocate \$50,000 in Fund 01CLC (Location Contribution) for the It's All About Kids program, by decreasing the 2011 allocation for the Affordable Ownership Housing Program by \$50,000 and subsequently amending the Council's September 2, 2011 action to reduce the reallocated Affordable Ownership Housing Program funding that capitalizes the revolving loan fund for Neighborhood Stabilization Program projects from \$750,000 to \$700,000.

The Council rescinded its previous action committing \$5 million in UDAG funding to the planetarium project and returned discretionary control of these funds to CPED.

The Council directed the Community Planning and Economic Development Department to work with the Finance Department to prepare and present a methodology for the proposed Growth Fund. These presentations must be made prior to April 1, 2012, to both the Ways and Means/Budget Committee and the Community Development Committee.

CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

CPED is directed to increase fees for land use applications by 3.5% in 2012. Zoning re-inspection fees will be increased from \$150 to \$200.

CPED is directed to allocate up to 7.5% of Community Development Block Grant funds for Emergency Shelter Grants to Intergovernmental Relations.

The Council directed Public Works and CPED to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:

- a) Create defined project area;
- b) Establish Timeline, schedule, benchmarks; and
- c) Design and implement community and stakeholder engagement.

Staff is further directed to report back to CD and TPW committees by end of the first quarter 2012 on progress and with any recommendations.

## **Finance**

*Mayor's Recommended Budget:* The Mayor recommended a \$250,000 reduction from 2011 department proposals.

*Council Adopted Budget:* The Council approved the Mayor's Recommendations and included the following directions. The Finance Department is directed to amend all schedules and final budget documents by removing references to the Growth Fund.

The Finance Department is directed to remove all funding and FTE associated with the Homegrown Minneapolis Business Development Initiative from the City's financial schedules.

Finance Staff is directed to report to the Regulatory, Energy & Environment Committee and Ways and Means by January 31, 2012 about cost recovery models in every department.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

## **Property Services** (now a Division of the Finance Department)

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## Fire

*Mayor's Recommended Budget:* In 2011, the Mayor restored \$1.1 million to the department's base to restore positions that would have otherwise been eliminated by the removal of one time funding. The Mayor recommended the following changes:

- Fire Suppression, Emergency Medical Service and Emergency Rescue: The Mayor recommended a reduction of 1 FTE from 2011 spending levels.
- Training and Recruitment: The Mayor recommended a reduction of \$200,000 in non-personnel expense from 2011 spending levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendation with the following amendments: amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change.

Council directed the Fire Department to work with its consultants to evaluate the arson investigation functions performed by Fire personnel, including the potential for revising staffing models as well as work share agreements with MPD.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

## Health and Family Support

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- Youth Development: The Mayor recommended a 10%, or \$44,000 cut from 2011 spending levels.
- Health Care Safety Net: The Mayor recommended a \$200,000 cut from 2011 spending levels.
- Public Health Emergency Preparedness: The Mayor recommended no general fund funding. The program will maintain \$374,872 in grant revenue.
- Community Health Assessment, Engagement, and Policy: The Mayor recommended an \$8,000 cut from 2011 spending levels.

The Mayor did not fund:

- Green and Healthy Homes; Aligning grant resources for greater impact.
- Advocacy Services for Victims of Domestic Violence.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's Recommendation with the following amendments and staff directions:

- Direct MPD and Health to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation.

- The department's budget is reduced by \$106,000 and one FTE (Senior Ombudsman) is moved to Neighborhood and Community Relations.
- The department's budget is increased by \$72,000 in CDBG funding for Neighborhood Services.
- The department's budget is increased by \$60,000 for the Domestic Abuse Project.

## **Human Resources**

*Mayor's Recommended Budget:* The Mayor recommended a 50% cut to the department's training and development program with all other programs funded at the current level.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations for this department and amended the 2012 operating budget for Human Resources programs to allocate \$119,253 in previously unallocated dollars to specific programs as follows: Administration \$8,687; Classification \$2,240; Compensation \$2,240; HRTS \$28,223; Labor Relations \$7,674; Management \$38,296; Recruiting \$22,312; Diversity \$7,250; and Training \$2,331.

## **Intergovernmental Relations**

*Mayor's Recommended Budget:* The Mayor recommended an additional \$50,000 to cover the costs of airport consulting services while reducing 1 FTE.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Internal Audit**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of 1 position.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget by moving \$60,000 on a one-time basis from Employee Computing Mobility Program (BIS) to Internal Audit and restored 1 position in the Internal Audit Department to be hired mid-year for a total addition of 0.5 FTE for 2012.

## **Mayor**

*Mayor's Recommended Budget:* The Mayor recommended a \$15,000 ongoing, and a \$45,000 one time cut from 2011 spending levels to the Mayor's Administration program.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Neighborhood and Community Relations**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$120,000 (including 1 FTE) from 2011 spending levels.

The Mayor recommended the Neighborhood Revitalization Program phase out operations during calendar year 2012 and be transferred to this department.

*Council Adopted Budget:* The Council increased the Mayor's Recommended Budget for the Neighborhood and Community Relations Department by \$106,000 from Health and Family Support,



and moved 1 FTE (Senior Ombudsman) from the Health and Family Support Department to the Neighborhood and Community Relations Department.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

The Council directed unspent funds from the 2011 NRP operating budget after paying all shut down expenses to the NCR Department.

## **Police**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of 24 FTE including 2 managerial positions and 17 officers. Sworn positions shall be reduced through attrition and reassignment.

The Mayor recommended a total general fund budget of \$128.015 million for the Police Department. The recommendations included \$4.42 million in reductions to growth including:

- \$1.16 million, including 12 FTE (5 non-sworn and 7 sworn) from the Community Engagement Program.
- \$1.76 million, including 3 FTE, overtime and non-personnel reductions to contractual services (including fleet) from all programs, including personnel reductions in Administration and Training program and overtime reductions in Criminal Investigations Program.
- \$1.51 million including 9 FTE and non-personnel savings in the Public Safety Services Program.

*Council Adopted Budget:* Council adopted the Mayor's Recommendation and adopted the following staff directions:

- MPD is directed to use a portion of their 2011 unused contingency to retain Community Crime Prevention Specialists.
- MPD is directed to provide a staffing update to the Public Safety, Civil Rights and Health and Ways & Means/Budget Committees by April 15, 2012, to allow effective workforce planning for the 2013 budget. The plan should include positions that are not required to be performed by sworn staff, an ongoing funding plan for Community Crime Prevention Specialists; and an ongoing funding plan for sworn officer hiring.
- MPD and Health are directed to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation
- MPD should report back to the Regulatory, Energy and Environment and Ways & Means Committees by January 31, 2012, with a plan to ensure that salaries of MPD staff whose job duties that engage in regulatory functions are paid for out of license fees, not general funds.
- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.
- MPD is directed to use the department's 2011 budget savings to fund a \$31,000 City contribution to the St. Anthony Falls Heritage Board and a \$50,000 City contribution to the Mississippi Riverfront Partnership.

## **Public Works**

*Mayor's Recommended Budget:* Please see division sections for Mayor's recommendations.

*Council Adopted Budget:* Council adopted the following staff directions:

- Public Works is directed to report to the Transportation and Public Works committee by January 31, 2012 proposed specific projects for the 2012 Capital Budget Paving Program.
- The Public Works Department is directed to determine a strategy for shifting the costs of cleaning graffiti off city infrastructure from the Solid Waste Enterprise Fund and into the operating budgets responsible for maintaining the infrastructure where the graffiti lands. A presentation on the department's graffiti clean-up strategy is to be made to the Ways & Means/Budget Committee prior to or during their regularly scheduled meetings in March.
- Public Works and CPED are directed to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:
  - a) Create defined project area;
  - b) Establish timeline, schedule, benchmarks; and
  - c) Design and implement community and stakeholder engagement.

Staff is further directed to report back to Community Development and Transportation and Public Works committees by end of the first quarter 2012 on progress and with any recommendations.

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from:

- Sewer: from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter
- Water: from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter

## **Administration**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

## **Fleet Services**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

## **Solid Waste and Recycling**

*Mayor's Recommended Budget:* The Mayor recommended \$32.88 million, including \$150,000 for graffiti microgrants.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Surface Water & Sanitary Sewer – Sanitary Sewer**

*Mayor's Recommended Budget:* The Mayor recommended a rate increase of \$0.32 per 100 cubic feet to \$3.37 in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.05.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter.

### **Surface Water & Sanitary Sewer – Stormwater**

*Mayor's Recommended Budget:* The Mayor recommended a rate increase of \$0.28 per ESU to \$11.70 in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, the Council adopted utility rates for water, sewer, stormwater and solid waste and recycling services. The Council adopted the recommended rate of \$11.70 per ESU.

### **Traffic & Parking**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- **Street Lighting:** The Mayor recommended an ongoing reduction to growth of \$156,000 and 2 positions. This reduction will be offset by one-time funds of the same amount, which will delay the reduction of 2 positions. This ongoing reduction will increase the time between the report of needed street light maintenance and the repairs.
- **Traffic:** The Mayor recommended an ongoing reduction to growth of \$108,000 and one position. This reduction will be offset by one-time funds of \$94,000, which will delay the position reduction.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Transportation Maintenance and Repair**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- **Bridge Maintenance and Repair:** The Mayor recommended a reduction to growth of \$25,000 from contractual services. This reduction will reduce professional services used to support bridge maintenance activities without a noticeable impact to the public.

- Street Maintenance & Repair: The Mayor recommended a reduction to growth of \$306,000. This reduction will eliminate preventative maintenance on residential and local streets.
- Snow & Ice Control: The Mayor recommended a reduction to growth of \$700,000. This reduction will reduce snow removal provided after snow events.
- Malls & Plazas: The Mayor recommended a reduction to growth of \$200,000 and 2.5 positions. This will reduce maintenance and support activities for neighborhood gardens, center island medians, maintenance of irrigation systems, mowing and trash pickup on city-owned green spaces.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations with the following technical adjustment:

- Decrease the Bridge Maintenance and Repair program by \$25,000;
- decrease the Street Maintenance and Repair program by \$100,000;
- decrease the Snow and Ice program by \$75,000;
- and increase the Malls and Plazas program by \$200,000.

### **Transportation Planning and Engineering**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- Transportation Planning & Management: The Mayor recommended an increase of \$200,000 to fund work on capital projects for which costs are not recoverable.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Water Treatment and Distribution**

*Mayor's Recommended Budget:* The Mayor recommended a water utility rate increase of \$0.16 to \$3.36 per unit in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.20.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter.

Additionally, the Council approved a technical adjustment of 6.34 FTE from the Mayor's recommendation to be funded within existing resources.

## Regulatory Services

*Mayor's Recommended Budget:* The Mayor recommended that the Homegrown Minneapolis Phase III and 1 FTE be housed in Regulatory Services and funded by increased license fees. Further, the Mayor recommended:

- Construction Code Services (CCS): The Mayor recommended a reduction of \$103,000 and 1 FTE from 2011 spending levels.
- On-site Traffic Control & Parking Enforcement Services: The Mayor recommended a reduction of \$18,000 and increased revenue of \$100,000 from 2011 spending and revenue levels.
- Regulatory Services Fire Inspections: The Mayor recommended an increase in fire inspection fees to increase revenue by \$30,000 from 2011 revenue levels.
- Regulatory Services Housing Inspections: The Mayor recommended a reduction of \$165,000 and 1 FTE from 2011 spending levels.
- Animal Control: The Mayor recommended a reduction of \$184,000 and 1 FTE from 2011 spending levels.
- Environmental Health/Licenses and Consumer Services: The Mayor recommended a reduction of \$50,000 from 2011 spending levels.
- Healthy Homes and Residential Lead Hazard Control: The Mayor recommended a reduction of \$9,000 from 2011 spending levels.
- Homegrown Minneapolis Phase III: fund this program in Regulatory Services. Increased Regulatory Services' revenue should match expense.
- Minneapolis Development Review: a cut of \$112,000 and 1 FTE from 2011 spending levels.
- Environmental Services: a cut of \$238,000 and 1 FTE from 2011 spending levels.

In addition, the Mayor recommended reduction of an administrative position, reduced spending on contractual services, and a reduction of interns from 2011 spending levels. Reductions for those costs have been spread across programs.

*Council Adopted Budget:* Council approved the Mayor's recommendations with the following amendments

- Remove all funding and FTE associated with the Homegrown Minneapolis Business Development Initiative and decrease Regulatory Services' budget by \$142,202.
- Amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change. Regulatory Services' is directed to return to the Ways and Means/Budget Committee by March 1, 2012, with a renegotiated Memorandum of Understanding between Regulatory Services and MFD.
- Council directed Regulatory Services to request funds for the Public Safety-Animal Control Program a part of the usual year-end rollover process provided in the City's financial policies.

## **Independent Boards:**

### **BET**

*Mayor's Recommended Budget:*

The Mayor recommended no changes to BET's budget.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

### **MBC**

*Mayor's Recommended Budget:*

The Mayor recommended that MBC use fund balance to pay MERF debt service.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

### **Park Board**

*Mayor's Recommended Budget:*

The Mayor recommended \$4.9 million for the Park Board for operating costs to maintain capital infrastructure. Overall, the Mayor recommended property tax and LGA revenue of \$53.84M. After subtracting shared costs and capital projects funded by the Park levy, the Mayor recommended \$51.043M in revenue for the Park Board.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

### **MPHA**

*Mayor's Recommended Budget:*

The Mayor recommended no tax levy for MPHA, but recommended no changes to the MPHA budget, which includes a PILOT reduction of \$398,000.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

### **YCB**

*Mayor's Recommended Budget:*

The Mayor recommended a \$44,000 cut to the Youth Development program in the City's Health and Family Support department. This reduction will be passed to YCB as a reduction in contractual services.

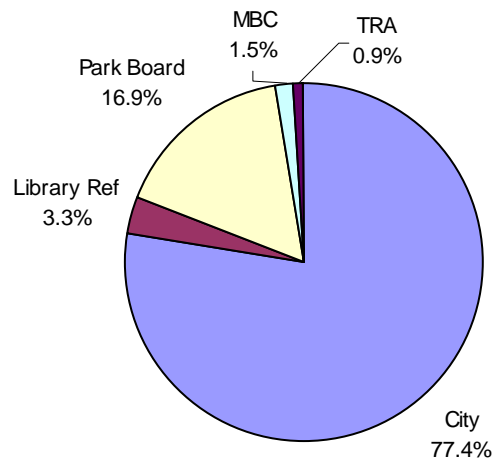
*Council Adopted Budget:* Council approved the Mayor's recommendation.

## Property Tax and Fee Changes

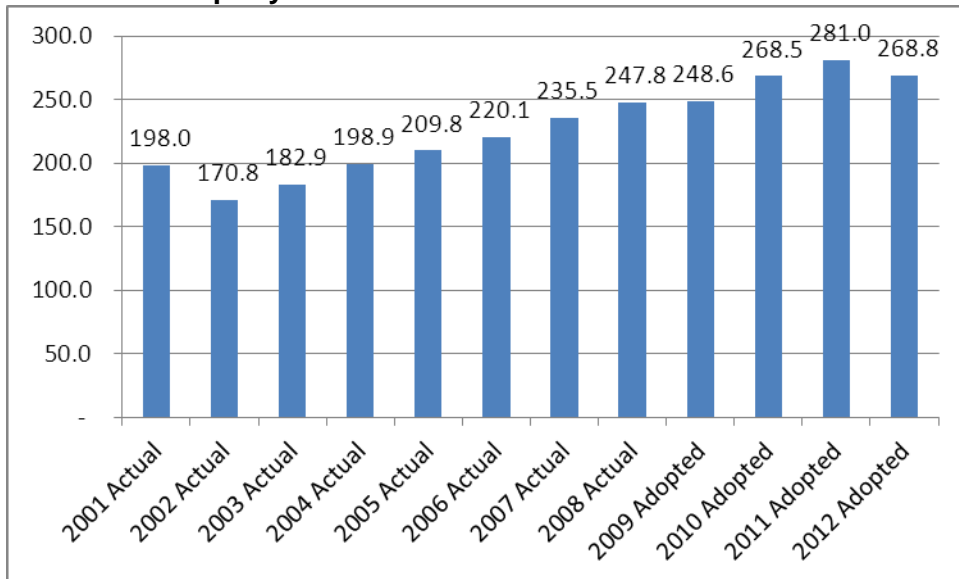
### ➤ Property Tax Revenue

The 2012 Council Adopted Budget includes an estimated net tax capacity rate of 73.596%; this rate is the combined rate for the City, the Board of Estimate and Taxation, the Minneapolis Park and Recreation Board, the Municipal Building Commission (MBC), and the City's special levy for the Teachers Retirement Association (TRA). The library referendum is a \$9.3 million market value based tax estimated at .02793% for 2012 and is not included in the net tax capacity rate. This estimated net tax capacity rate will levy the same dollar amount as the 2011 Council Adopted budget. The City's adjusted net tax capacity (after reductions for tax increment and fiscal disparities) is projected to decrease by 6.4% for taxes payable 2012, from \$394.9 million to \$369.8 million.

**Property Tax by Fund - \$279.6 Million**



**Property tax revenue in constant 2011 dollars\***



\*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

➤ **Shared Revenue Approach**

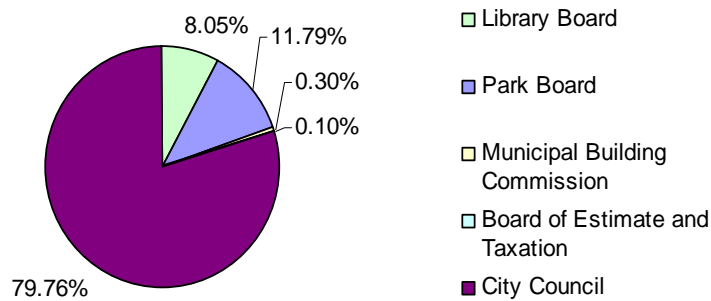
In 1994, an agreement was reached between the City and the independent boards to allocate Local Government Aid (LGA) according to specific percentages. As a part of this agreement, the independent boards were to receive a three percent annual property tax levy increase, which was amended to a four percent annual increase in 2002.

The State budgeted the same amount of LGA as the City was allocated to receive in 2011 after the 2011 budget State budget reduction. The 2011 and 2012 levels of LGA according to historical distributions are featured in the table below:

	2011 Certified LGA	2011 Actual LGA	2012 Certified LGA	% Change from 2011
General Fund	\$76,945,034	\$56,377,610	\$56,378,894	0.0%
Park Board	\$10,331,471	\$7,571,635	\$7,570,039	0.0%
MBC	\$263,495	\$192,755	\$193,067	0.2%
<b>Totals</b>	<b>\$87,540,435</b>	<b>\$64,142,000</b>	<b>\$64,142,000</b>	<b>0.0%</b>



### 1994 LGA Distribution



At the time of the Library merger, the City discussed with the independent boards revising its approach to these two major revenue sources to make the revenue for funding operations more consistent across these entities and making the policy choices more transparent. As a part of the 2010 budget process, the Mayor recommended and Council adopted an approach consistent with this request. In September 2009, this approach was adopted by the Board of Estimate and Taxation along with setting the 2010 maximum levies.

This revised “shared revenue” approach makes shared costs more transparent, as they are noted “above the line” prior to determining the revenue available for general operating expenditures. These costs include closed pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher’s Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, and shared administrative costs. This policy will clearly isolate changes to City policies and the funding of those policy changes. Future increases will be aligned with available resources, and the annual percentage change in revenue available for general fund activities of the City, Park Board and MBC will be the same for each entity. These distributions are allocated during the Council Adopted Budget process.

➤ **Market Value Homestead Credit Information**

The Market Value Homestead Credit (MVHC) program provided property tax relief to lower-valued homes until 2010 when the State defunded the program. For taxes payable in 2011 and prior, the MVHC program reduced the property tax owed on a homestead property by 0.4% of the market value, up to a maximum of \$304. The maximum credit occurred at a \$76,000 market value, and declined as the value increases, entirely phasing out at \$413,778. Municipalities received state aid to compensate for the loss of the property tax revenue attributable to this program. The aid was distributed to taxing districts in proportion to the total tax bill. The same value homes across the state received the same credit.

When the MVHC was eliminated during the 2011 Special Session, it was replaced with the market value exclusion program. Homes at \$76,000 in market value will receive the maximum exclusion of \$30,400, with exclusions gradually decreasing until the exclusion is fully phased out at \$413,800. As a result of the exclusions the tax bases shrinks which means all other variables

being equal that the tax rate charged to all properties increases. This is a transfer of tax burden from the State (the previously paid credits on behalf of the home owner) to all properties. The tax burden shifts from the State to the local taxpayers.

Unlike the old MVHC where the same value home across the state received the same credit, under the new exclusion methodology the effect will vary greatly depending on many factors. These factors include; the tax base composition within the property classifications, the tax rate of the jurisdiction, and the unique mix of properties in each taxing jurisdiction as all taxing districts are affected.

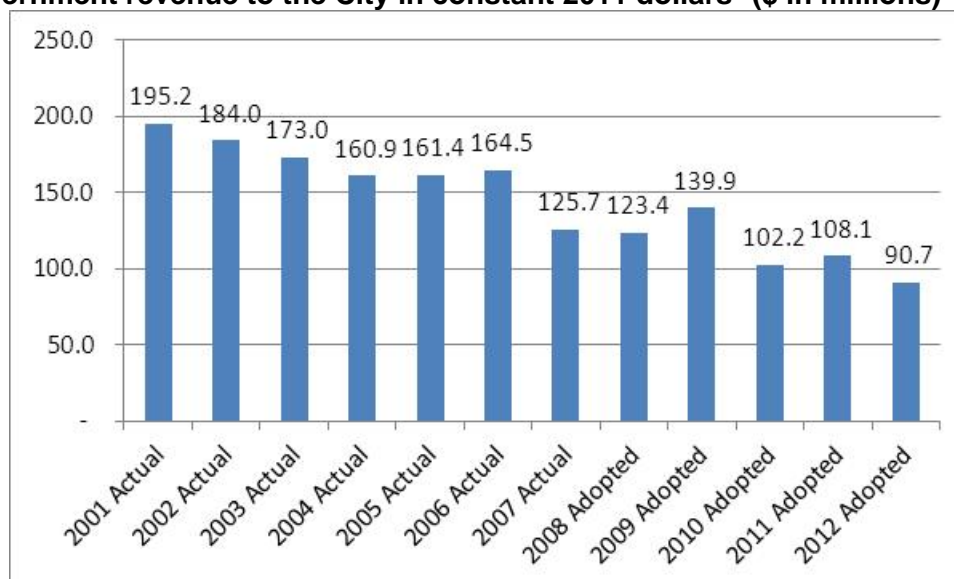
Since the Council adopted a tax levy without an increase and 99.7% of the residential homesteaded properties have flat or decreasing market values, the predominant factor (not the total factor) for those properties experiencing a tax increase is a result of the transfer of tax burden from the State to the taxpayers though the new market value exclusion methodology. The table below shows the percentage of Minneapolis residential properties grouped according to their estimated City tax impacts payable in 2012.

**Percentage tax change of City taxes from 2011 to 2012 payable at 0% levy change**

Percentage tax change (City portion)			Percentage of parcels in group*
more than - 30 %			0.17%
-20.00%	to	-30.00%	0.96%
-15.00%	to	-20.00%	2.95%
-10.00%	to	-15.00%	9.82%
-7.50%	to	-10.00%	7.58%
-5.00%	to	-7.50%	10.39%
-2.50%	to	-5.00%	13.91%
0.00%	to	-2.50%	18.61%
2.50%	to	0.00%	25.76%
5.00%	to	2.50%	9.69%
7.50%	to	5.00%	0.03%
10.00%	to	7.50%	0.04%
more than + 10 %			0.10%

\*This table shows that 64.4% of City properties have decreasing City taxes payable from 2011 to 2012. 25.8% will have a tax increase of 0% to 2.5% with 9.7% having a tax increase of between 2.5% and 5%. These three groups comprise 99.8% of residential parcels that have not changed in homestead status and have not had improvements since taxes payable in 2009.

**State Government revenue to the City in constant 2011 dollars\* (\$ in millions)**



\*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

- **Water, Sanitary Sewer and Stormwater Utility Fees:** For 2012, the Council Adopted Budget for Water and Sanitary Sewer fees now includes both a variable rate component based on water usage and a fixed rate component based on the size of the water meter servicing your property. For residential properties, the fixed rate charge for a 5/8" water meter is \$2.00/month for water and \$3.00/month for sanitary sewer. For 2012, there is no increase in the water usage component of the water and sanitary sewer rates which remains at \$3.20 and \$3.05 respectively per 100 cubic feet of water. Storm sewer rates for 2012 will be \$11.70 per equivalent stormwater unit (ESU = 1,530 square feet) which is a 2.5% increase. There is no increase for solid waste and recycling services in 2012. The average monthly charge per residential dwelling is estimated to be \$27.60 (based on average usage of 800 cubic feet) for water, \$21.30 (based on average usage of 600 cubic feet) for sanitary sewer, \$11.70 for stormwater (based on 1 ESU), and \$24.00 for solid waste and recycling.

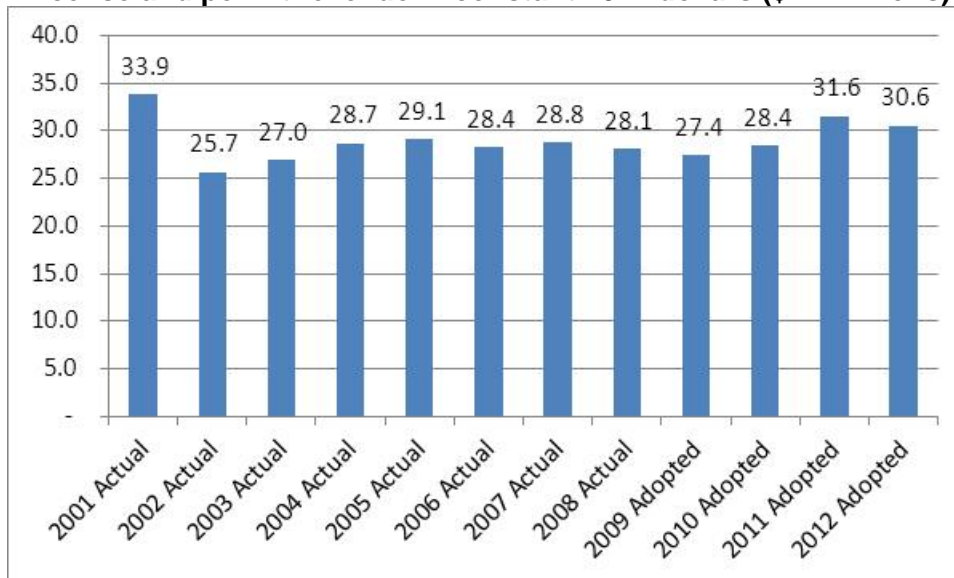
**Combined utility bill  
Monthly and annual cost for average consumer**

	2011	2012 Monthly Average	2012 Annual Average	2012 monthly dollar change	2012 % change
<b>Water</b>	\$25.60	\$27.60	\$331	\$2.00	7.8%
<b>Sanitary Sewer</b>	\$18.30	\$21.30	\$256	\$3.00	16.4%
<b>Stormwater</b>	\$11.42	\$11.70	\$140	\$0.28	2.5%
<b>Solid Waste/Recycling</b>	\$24.00	\$24.00	\$288	\$0.00	0.0%
<b>Total</b>	\$79.32	\$84.60	\$1,015	\$5.28	6.7%

- **Solid waste and recycling fee:** The 2012 Council Adopted Budget left the solid waste and recycling fee unchanged at \$24.00, the average monthly charge per dwelling. Collection fee revenues are calculated on the base dwelling units, with adjustments to recycling credits, and charges applied to large and small carts. In an effort to encourage recycling, the cart fees will be \$2 per small cart compared to \$5 per large cart.

- **Franchise fees:** The 2012 Council Adopted Budget anticipates the total franchise fee revenue to decrease from \$27.8 million to \$27.5 million in 2012.
- **Community Development Block Grant:** The 2012 Council Adopted Budget allocates \$14.1 million in CDBG funding for City programs, down from \$16.8 million in 2011.
- **Other fee changes:** The licenses and permit fee revenue is expected to increase from \$31.4 million in 2011 to \$31.8 million in 2012 due to usage projections.

**License and permit revenue in constant 2011 dollars (\$ in millions)**

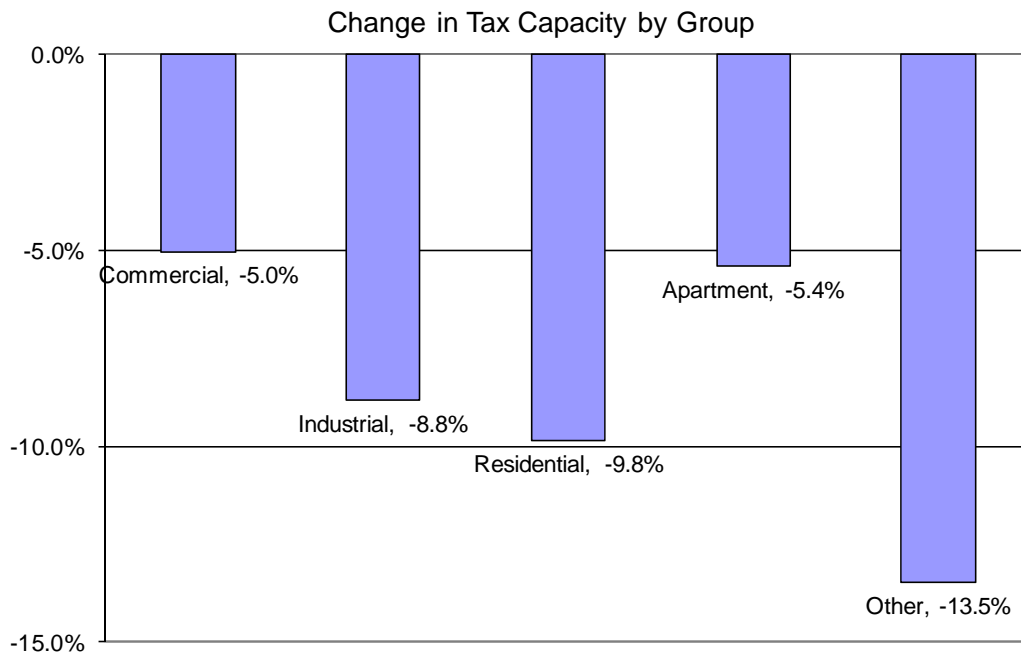


\*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

## Property Market Values and Tax Base Highlights

Following are charts from the City Assessor's Office and from the Hennepin County Assessor's Office with estimated market values and corresponding tax capacity from the Board of Estimate and Taxation by property group for the 2011 assessment, payable in 2012 property taxes.

Group	2011 Estimated Market Value	% of Total	% Change	Tax Capacity	% of Total	% Change
<b>Real Estate</b>						
Commercial	\$5,987,867,500	18.1%	-5.0%	\$117,326,854	29.5%	-5.0%
Industrial	1,301,687,600	3.9%	-8.7%	25,568,377	6.4%	-8.8%
Residential	22,562,732,400	68.1%	-4.1%	216,100,660	54.3%	-9.8%
Apartment	3,266,162,400	9.9%	-0.7%	38,881,833	9.8%	-5.4%
Other	20,662,400	0.1%	-12.5%	275,368	0.1%	-13.5%
<b>Sub Total</b>	<b>\$33,139,112,300</b>	<b>100.0%</b>	<b>-4.2%</b>	<b>\$398,153,092</b>	<b>100.0%</b>	<b>-8.0%</b>
<b>Personal Property</b>						
All	372,205,100		-1.9%	7,096,419		-1.5%
<b>Grand Total</b>	<b>\$33,511,317,400</b>		<b>-4.1%</b>	<b>\$405,249,511</b>		<b>-7.9%</b>



The market value and tax capacity data shown above does not include personal property, which is estimated to have a market value of approximately \$372 million and a corresponding tax capacity of \$7.1 million for taxes payable 2012. With personal property included, gross tax capacity is estimated to decrease from the prior year by approximately 7.9%.

The following table provides the estimated changes in tax increment financing, fiscal disparities contribution, and fiscal disparities distribution for taxes payable 2012:

<b>For Taxes Payable in 2012</b>	
Real Estate Tax Capacity	\$398,153,092
Personal Property Tax Capacity	\$7,096,419
<b>Gross Tax Capacity</b>	<b>\$405,249,511</b>
- Less Increment Financing	(\$36,141,002)
- Less Fiscal Disparities Contribution	(\$52,179,586)
+ Plus Fiscal Disparities Distribution	\$52,856,334
<b>Adjusted Net Tax Capacity</b>	<b>\$369,785,257</b>

## Property Values and Tax Trends

### Commercial and Industrial Trends

Minneapolis has the highest concentration of commercial office buildings in the State of Minnesota and therefore is the largest contributor of revenue to the state general tax on a per city basis. Minneapolis's 2011 commercial/industrial tax base is \$7.3 billion dollars, of which \$3.98 billion resides in the Minneapolis Central Business District (CBD).

Between January 2010 and January 2011 the Minneapolis CBD experienced a 3.4% reduction in the commercial and industrial tax base. Citywide the commercial and industrial tax base for Minneapolis declined 5.7% from \$7.7 billion dollars in 2010 to \$7.3 billion in 2011.

There was an increase of 24% in commercial-industrial foreclosures from 25 in 2009 to 31 for the year 2010. While the year-over-year increase is significant, the percentage of foreclosed commercial-industrial property in Minneapolis is less than one half of one percent, not statistically significant relative to the size of the Minneapolis market.

According to real estate professionals, investment grade transactions will continue to be less than the long-term historical average because of the limited number of properties on the market and the uncertainty in the economy. Professionals are of the opinion that unless an owner is forced to sell during this economic recession, property owners will wait for the market to show signs of recovery in job growth and declines in unemployment.

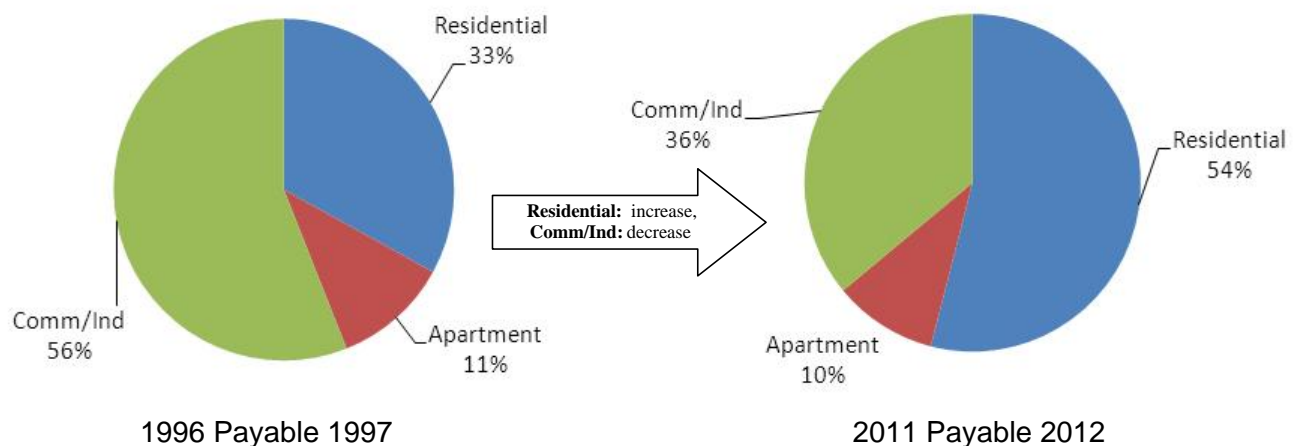
### Apartments

The apartment market continues to be the most stable real estate sector of all property types. Apartment vacancy rates in Minneapolis are 3% compared to an overall rate of 4.2% for the entire metro area. There are six new apartment development projects under construction adding 597 units of market-rate, affordable and student housing to Minneapolis. GVA Marquette Advisors 4<sup>th</sup> Quarter reported that average overall rent for an apartment in Minneapolis outside of downtown was \$801 per month in December 2010 with a 3.1% vacancy rate. This rent is down from \$817 per month from the previous year. Rent in downtown Minneapolis was reported to be \$1,244 per month, the highest reported rents in the metro area, with a vacancy rate of 4.2%, down from 9.8% the year before. In 2011, the apartment tax base declined by less than 1% from 2010.

## Residential

Consistent with national trends, residential property values in Minneapolis have been negatively impacted by foreclosures, short-sales and the current recession. Prices of single family values peaked in early 2007 with a median citywide value of \$230,000. By 2011, that median property value declined to \$180,500, or a reduction of 21.5 percent in four years. The Minneapolis Area Association of Realtors reports the median sale price of residential homes increased from \$140,000 in 2010 to \$155,000 in 2011. Some of the increase can be attributed to the decline in foreclosure inventory in the market. Residential foreclosures sales in Minneapolis decreased 22.6 percent from 4,095 (Sept. 2009) to 3,169 (Aug. 2010), a sign that the foreclosure market is trending downward and one positive indicator for the Minneapolis residential market. In 2011, the residential tax base was reduced by 4% percent from 2010.

In summary, unless there is a significant change in the current state of the economy, the Minneapolis real estate market will continue to work its way through the foreclosure and short-sale inventory similar to the 2010 real estate activity. Unlike real estate markets on either coast, none of Minneapolis's real estate sectors have been dealt a devastating blow by the recession. While Minneapolis is not immune to the current economic crunch, it does not function within a vacuum. Minneapolis has yet to see a Class "A" office building, major apartment complex or retail development turn their keys over to the lender. This bodes well for Minneapolis's diverse industries and balanced economic market place, its focused commitment to sound fundamental investing, and its long-term planning in capital and infrastructure.

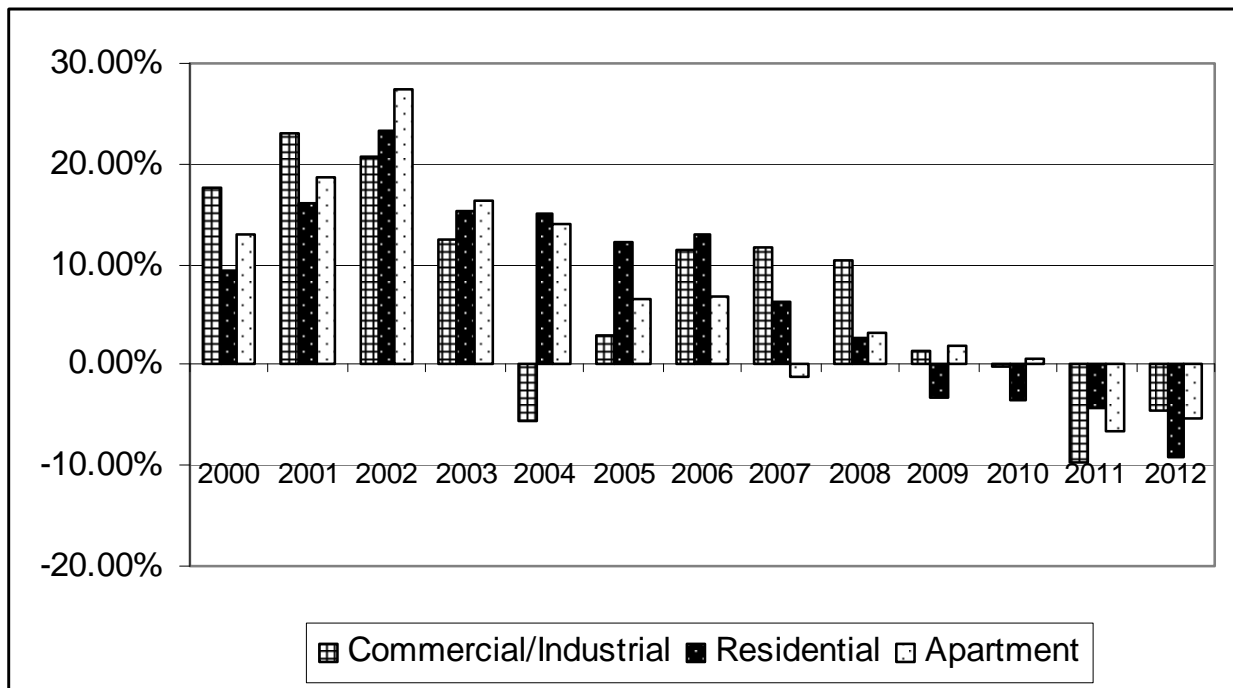


The table above shows the changes in the distribution of the tax base away from commercial and industrial properties and towards residential properties. These changes are a function of both market conditions and changing class rates and State laws.

The tables below shows the overall growth or decline in the market value by the three main property type classifications from payable 2000 to 2012:

<b>Change in Market Value</b>			
<b>Payable</b>	<b>Commercial/Industrial</b>	<b>Residential</b>	<b>Apartment</b>
2000	17.70%	9.50%	13.00%
2001	23.10%	16.00%	18.70%
2002	20.80%	23.40%	27.50%
2003	12.50%	15.40%	16.40%
2004	-5.50%	15.10%	14.10%
2005	3.00%	12.20%	6.50%
2006	11.40%	12.90%	6.80%
2007	11.80%	6.40%	-1.20%
2008	10.41%	2.63%	3.31%
2009	1.30%	-3.12%	1.82%
2010	-0.09%	-3.60%	0.53%
2011	-9.80%	-4.40%	-6.70%
2012	-4.50%	-9.10%	-5.20%

**Change in Market Value**





## 2012 Adopted Budget Property Tax Levies

	2011 Adopted	2012 Adopted Budget		
		2012 Adopted Levies	% Change from 2011	\$ Change from 2011
<b>By Major Funds</b>				
General Levies	\$277,357,000	\$277,157,000	-0.1%	(\$200,000)
Special Levies Other*	\$2,250,000	\$2,450,000	8.9%	\$200,000
<b>Grand Totals</b>	<b>\$279,607,000</b>	<b>\$279,607,000</b>	<b>0.0%</b>	<b>\$0</b>

	2011 Adopted	2012 Adopted Budget		
		2012 Adopted Levies	% Change from 2011	\$ Change from 2011
<b>By Entity</b>				
City**	\$216,555,000	\$216,355,000	-0.1%	(\$200,000)
Municipal Building Commission	\$4,285,000	\$4,285,000	0.0%	\$0
Park Board	\$47,217,000	\$47,217,000	0.0%	\$0
Library Referendum***	\$9,300,000	\$9,300,000	0.0%	\$0
Public Housing Authority	\$0	\$0		\$0
Teachers' Retirement	\$2,250,000	\$2,450,000	8.9%	\$200,000
<b>Grand Totals</b>	<b>\$279,607,000</b>	<b>\$279,607,000</b>	<b>0.0%</b>	<b>\$0</b>

\* Special Levies other Include; Chapter 595 (CPED), Public Housing Authority, Teachers' Retirement

\*\* Includes General Fund, Permanent Improvement, Bond Redemption, Board of Estimate & Taxation, and closed pension funds ( MERF,MPRA,MFRA )

\*\*\*This remains a City obligation after the Library System consolidation

## 2012 Adopted Budget Property Tax Levies

	2012 Adopted Budget			
	2011 Adopted	2012 Adopted Levies	% Change from 2011	\$ Change from 2011
<b>Levy Only Entities</b>				
Public Housing Auth	\$0	\$0		\$0
Teachers Retirement	\$2,250,000	\$2,450,000	8.9%	\$200,000
Library Referendum***	\$9,300,000	\$9,300,000	0.0%	\$0
Board Estimate & Taxation	\$170,000	\$170,000	0.0%	\$0
Perm. Imp Fund	\$1,900,000	\$1,000,000	-47.4%	(\$900,000)
Bond Redemption Fund	\$18,500,000	\$18,750,000	1.4%	\$250,000
MERF	\$2,570,000	\$17,461,000	579.4%	\$14,891,000
MFRA	\$4,880,000	\$325,000	-93.3%	(\$4,555,000)
MPRA	\$15,525,000	\$2,275,000	-85.3%	(\$13,250,000)
<b>Subtotals</b>	<b>\$55,095,000</b>	<b>\$51,731,000</b>	<b>-6.1%</b>	<b>(\$3,364,000)</b>
<b>Levy &amp; LGA Entities</b>				
Municipal Building Commission	\$4,285,000	\$4,285,000	0.0%	\$0
Park & Recreation Board	\$47,217,000	\$47,217,000	0.0%	\$0
General Fund Levy	\$173,010,000	\$176,374,000	1.9%	\$3,364,000
<b>Subtotals</b>	<b>\$224,512,000</b>	<b>\$227,876,000</b>	<b>1.5%</b>	<b>\$3,364,000</b>
<b>Grand Totals</b>	<b>\$279,607,000</b>	<b>\$279,607,000</b>	<b>0.0%</b>	<b>\$0</b>

## 2012 Adopted Budget Activities Approach

Activities Approach for Levy & LGA Entities	2011 Budget	2012 Budget	% Change from 2011	\$ Change from 2011
<b>Municipal Building Commission</b>				
Municip Building Commission Levy	\$4,285,000	\$4,285,000	0.00%	\$0
Municip Building Commission Tax Revenue	\$4,199,295	\$4,199,295	0.00%	\$0
MBC LGA Revenue	\$192,755	\$193,067	0.16%	\$312
MBC Tax Revenue & LGA	\$4,392,050	\$4,392,362	0.01%	\$312
LESS MBC's Transfer to City General Fund OH	(\$48,672)	(\$50,619)	4.00%	(\$1,947)
MBC Activities Tax Revenue & LGA	\$4,343,378	\$4,341,743	-0.04%	(\$1,635)
MBC \$\$ Change		(\$1,635)		
MBC % Change		-0.04%		
MBC Activities % Change After Cost ESC >>>		-2.06%		
<b>Park &amp; Recreation Board</b>				
Park Board Levy	\$47,217,000	\$47,217,000	0.00%	\$0
Park Board Tax Revenue	\$46,272,605	\$46,272,605	0.00%	\$0
Park Bd LGA Revenue	\$7,571,635	\$7,570,039	-0.02%	(\$1,596)
Park Board Tax Revenue & LGA	\$53,844,240	\$53,842,644	0.00%	(\$1,596)
LESS Park Board's Transfer to City General Fund OH	(\$895,837)	(\$931,670)	4.00%	(\$35,833)
LESS Park Board's Transfer to City General Admin Fee	(\$125,899)	(\$125,491)	-0.32%	\$408
LESS Park Board's Capital Projects from Levy	(\$4,902,888)	(\$4,865,867)	-0.76%	\$37,021
Park Board Activities Tax Revenue & LGA	\$47,919,616	\$47,919,616	0.00%	\$0
Park Board Activities \$\$ Change		\$0		
<u>Policy Decision by the Park Board</u>		Park Board Request	\$0 Change for 2012	
Park Board Activities % Change		0.00%		
Park Board Activities % Change After Cost ESC >>>		-2.03%		
<b>City General Fund</b>				
City Gfd Levy	\$173,010,000	\$176,374,000	1.94%	\$3,364,000
City Gfd Tax Revenue	\$169,549,860	\$172,846,520	1.94%	\$3,296,660
General Fund Revenues	\$139,569,243	\$145,949,134	4.57%	\$6,379,891
City LGA Revenue	\$56,377,610	\$56,378,894	0.00%	\$1,284
City General Fund Revenue	\$365,496,713	\$375,174,548	2.65%	\$9,677,836
MV HS Cr Pension Mgmt Plan set-aside	(\$6,200,000)	\$0	-100.00%	\$6,200,000
Less Payment to the Co for Library System non Tax \$\$	(\$5,853,000)	(\$4,982,000)	-14.88%	\$871,000
Less Gen Fd Revenue Transfer to BIS for WiFi	(\$477,628)	(\$484,444)	1.43%	(\$6,816)
Less Revenue Transfer to Target Finance Plan	(\$92,000)	(\$92,000)	0.00%	\$0
Less Revenue Transfer to Solid Waste Graffiti	(\$50,000)	(\$150,000)	200.00%	(\$100,000)
LESS General Fund (Trf to Pen DS Sinking Fd)	(\$10,424,792)	(\$24,440,220)	134.44%	(\$14,015,428)
LESS Gfd Trf to Internal Service Funds \$ in Total	(\$22,604,000)	(\$15,785,218)	-30.17%	\$6,818,782
LESS Gfd OH Not Recovered from Park Bd	(\$1,798,575)	(\$833,820)	-53.64%	\$964,754
LESS City Gfd OH Not Recovered from MBC	(\$179,158)	(\$159,001)	-11.25%	\$20,157
LESS Other's Transfer to City General Fund OH	(\$19,693,483)	(\$20,397,131)	3.57%	(\$703,648)
LESS City Gfd OH Not Recovered from Other's	(\$1,246,234)	(\$545,365)	na	\$700,869
LESS General fund one time \$\$ in 2012		(\$1,020,000)	na	(\$1,020,000)
City Gfd Activities	\$296,877,842	\$306,285,349	3.17%	\$9,407,506
General Fund Activities \$\$ Change		\$9,407,506		
General Fund Activities % Change		3.17%		
Gfd Activities % Change After Cost ESC >>>		1.14%		
<u>Policy Decisions Activities \$ Adjustments</u>				
PW Eng Desig \$.49 M for planning 2012 Fwd		(\$490,000)		(\$490,000)
FIRE \$ 1.1 M 2012 Fwd		(\$1,100,000)		(\$1,100,000)
City Gfd Activities Excluding Policy Decisions		\$304,695,349	2.63%	\$7,817,506
Gfd Activities \$\$ Change After Cost ESC & Excluding Policy Decisions >>>		\$7,817,506		
Gfd Activities % Change Before Cost ESC >>>		2.63%		
Gfd Activities % Change After Cost ESC & Excluding Policy Decisions >>>		0.61%		

## Residential Property Tax – Sample Bills

### Residential Property with Estimated Market Value Change of >>

		0.0%			-5.0%			-10.0%		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change
Assessed Market Value (MV)	\$138,100	\$138,100	0.0%	\$0	\$131,195	-5.0%	(\$6,905)	\$124,290	-10.0%	(\$13,810)
Market Value Credit Exclusion	na	(\$24,811)			(\$25,432)			(\$26,054)		
Taxable Value	\$138,100	\$113,289	-18.0%	(\$24,811)	\$105,763	-23.4%	(\$32,337)	\$98,236	-28.9%	(\$39,864)
Tax Capacity	\$1,381	\$1,133	-18.0%	(\$248)	\$1,058	-23.4%	(\$323)	\$982	-28.9%	(\$399)
<b>City Property Taxes</b>										
Tax Capacity based Taxes	\$841	\$826	-1.8%	(\$15)	\$771	-8.3%	(\$70)	\$716	-14.9%	(\$125)
MV Referendum Tax	\$37	\$39	5.4%	\$2	\$37	0.0%	\$0	\$35	-5.4%	(\$2)
<b>Total City Property Taxes</b>	<b>\$878</b>	<b>\$865</b>	<b>-1.5%</b>	<b>(\$13)</b>	<b>\$808</b>	<b>-8.0%</b>	<b>(\$70)</b>	<b>\$751</b>	<b>-14.5%</b>	<b>(\$127)</b>
<b>Utility Fees</b>										
Water	\$307	\$331	7.9%	\$24	\$331	7.9%	\$24	\$331	7.9%	\$24
Storm	\$137	\$140	2.2%	\$3	\$140	2.2%	\$3	\$140	2.2%	\$3
Sanitary Sewer	\$220	\$256	16.2%	\$36	\$256	16.2%	\$36	\$256	16.2%	\$36
Solid Waste Recycling	\$288	\$288	0.0%	\$0	\$288	0.0%	\$0	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$952</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$1,830</b>	<b>\$1,880</b>	<b>2.7%</b>	<b>\$50</b>	<b>\$1,823</b>	<b>-0.4%</b>	<b>(\$7)</b>	<b>\$1,766</b>	<b>-3.5%</b>	<b>(\$64)</b>

### Residential Property with Estimated Market Value Change of >>

		0.0%			-5.0%			-10.0%		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change
Assessed Market Value (MV)	\$216,000	\$216,000	0.0%	\$0	\$205,200	-5.0%	(\$10,800)	\$194,400	-10.0%	(\$21,600)
Market Value Credit Exclusion	na	(\$17,800)			(\$18,772)			(\$19,744)		
Taxable Value	\$216,000	\$198,200	-8.2%	(\$17,800)	\$186,428	-13.7%	(\$29,572)	\$174,656	-19.1%	(\$41,344)
Tax Capacity	\$2,160	\$1,982	-8.2%	(\$178)	\$1,864	-13.7%	(\$296)	\$1,747	-19.1%	(\$413)
<b>City Property Taxes</b>										
Tax Capacity based Taxes	\$1,383	\$1,445	4.5%	\$62	\$1,359	-1.7%	(\$24)	\$1,274	-7.9%	(\$109)
MV Referendum Tax	\$58	\$60	3.4%	\$2	\$57	-1.7%	(\$1)	\$54	-6.9%	(\$4)
<b>Total City Property Taxes</b>	<b>\$1,441</b>	<b>\$1,505</b>	<b>4.4%</b>	<b>\$64</b>	<b>\$1,416</b>	<b>-1.7%</b>	<b>(\$25)</b>	<b>\$1,328</b>	<b>-7.8%</b>	<b>(\$113)</b>
<b>Utility Fees</b>										
Water	\$307	\$331	7.9%	\$24	\$331	7.9%	\$24	\$331	7.9%	\$24
Storm	\$137	\$140	2.2%	\$3	\$140	2.2%	\$3	\$140	2.2%	\$3
Sanitary Sewer	\$220	\$256	16.2%	\$36	\$256	16.2%	\$36	\$256	16.2%	\$36
Solid Waste Recycling	\$288	\$288	0.0%	\$0	\$288	0.0%	\$0	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$952</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$2,393</b>	<b>\$2,520</b>	<b>5.3%</b>	<b>\$127</b>	<b>\$2,431</b>	<b>1.6%</b>	<b>\$38</b>	<b>\$2,343</b>	<b>-2.1%</b>	<b>(\$50)</b>

**Residential Property  
with Estimated Market Value Change of >>**

		0.0%			-5.0%			-10.0%		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change
Assessed Market Value ( MV )	\$536,000	\$536,000	0.0%	\$0	\$509,200	-5.0%	(\$26,800)	\$482,400	-10.0%	(\$53,600)
Market Value Credit Exclusion	na	na			na			na		
Taxable Value	\$536,000	\$536,000	0.0%	\$0	\$509,200	-5.0%	(\$26,800)	\$482,400	-10.0%	(\$53,600)
Tax Capacity	\$5,450	\$5,450	0.0%	\$0	\$5,115	-6.1%	(\$335)	\$4,780	-12.3%	(\$670)
City Property Taxes										
Tax Capacity based Taxes	\$3,788	\$3,974	4.9%	\$186	\$3,730	-1.5%	(\$58)	\$3,486	-8.0%	(\$302)
MV Referendum Tax	\$143	\$150	4.9%	\$7	\$142	-0.7%	(\$1)	\$135	-5.6%	(\$8)
<b>Total City Property Taxes</b>	<b>\$3,931</b>	<b>\$4,124</b>	<b>4.9%</b>	<b>\$193</b>	<b>\$3,872</b>	<b>-1.5%</b>	<b>(\$59)</b>	<b>\$3,621</b>	<b>-7.9%</b>	<b>(\$310)</b>
Utility Fees										
Water	\$307	\$331	7.9%	\$24	\$331	7.9%	\$24	\$331	7.9%	\$24
Storm	\$137	\$140	2.2%	\$3	\$140	2.2%	\$3	\$140	2.2%	\$3
Sanitary Sewer	\$220	\$256	16.2%	\$36	\$256	16.2%	\$36	\$256	16.2%	\$36
Solid Waste Recycling	\$288	\$288	0.0%	\$0	\$288	0.0%	\$0	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$952</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$4,883</b>	<b>\$5,139</b>	<b>5.2%</b>	<b>\$256</b>	<b>\$4,887</b>	<b>0.1%</b>	<b>\$4</b>	<b>\$4,636</b>	<b>-5.1%</b>	<b>(\$247)</b>

**Residential Property  
with Estimated Market Value Change of >>**

		0.0%			-5.0%			-10.0%		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change
Assessed Market Value ( MV )	\$1,417,500	\$1,417,500	0.0%	\$0	\$1,346,625	-5.0%	(\$70,875)	\$1,275,750	-10.0%	(\$141,750)
Market Value Credit Exclusion	na	na			na			na		
Taxable Value	\$1,417,500	\$1,417,500	0.0%	\$0	\$1,346,625	-5.0%	(\$70,875)	\$1,275,750	-10.0%	(\$141,750)
Tax Capacity	\$16,469	\$16,469	0.0%	\$0	\$15,583	-5.4%	(\$886)	\$14,697	-10.8%	(\$1,772)
City Property Taxes										
Tax Capacity based Taxes	\$11,446	\$12,010	4.9%	\$564	\$11,363	-0.7%	(\$83)	\$10,717	-6.4%	(\$729)
MV Referendum Tax	\$379	\$396	4.5%	\$17	\$376	-0.8%	(\$3)	\$356	-6.1%	(\$23)
<b>Total City Property Taxes</b>	<b>\$11,825</b>	<b>\$12,406</b>	<b>4.9%</b>	<b>\$581</b>	<b>\$11,739</b>	<b>-0.7%</b>	<b>(\$86)</b>	<b>\$11,073</b>	<b>-6.4%</b>	<b>(\$752)</b>
Utility Fees										
Water	\$307	\$331	7.9%	\$24	\$331	7.9%	\$24	\$331	7.9%	\$24
Storm	\$137	\$140	2.2%	\$3	\$140	2.2%	\$3	\$140	2.2%	\$3
Sanitary Sewer	\$220	\$256	16.2%	\$36	\$256	16.2%	\$36	\$256	16.2%	\$36
Solid Waste Recycling	\$288	\$288	0.0%	\$0	\$288	0.0%	\$0	\$288	0.0%	\$0
<b>Total Utilities</b>	<b>\$952</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>	<b>\$1,015</b>	<b>6.6%</b>	<b>\$63</b>
<b>Total City Property Taxes &amp; Utility</b>	<b>\$12,777</b>	<b>\$13,421</b>	<b>5.0%</b>	<b>\$644</b>	<b>\$12,754</b>	<b>-0.2%</b>	<b>(\$23)</b>	<b>\$12,088</b>	<b>-5.4%</b>	<b>(\$689)</b>

## Commercial/Industrial and Apartment Property Tax – Sample Bills

<b>Commercial/Industrial Property</b>		<b>with Estimated Pay 2012 Market Value Change of 0.0%</b>				<b>-5.0%</b>			<b>-10.0%</b>		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change	
Assessed Market Value (MV)	\$300,000	\$300,000	0.0%	\$0	\$285,000	-5.0%	(\$15,000)	\$270,000	-10.0%	(\$30,000)	
Tax Capacity	\$5,250	\$5,250	0.0%	\$0	\$4,950	-5.7%	(\$300)	\$4,650	-11.4%	(\$600)	
<b>City Property Taxes</b>											
Tax Capacity based Taxes	\$2,302	\$2,477	7.6%	\$174	\$2,477	7.6%	\$174	\$2,477	7.6%	\$174	
MV Referendum Tax	\$80	\$84	4.3%	\$3	\$80	-0.9%	(\$1)	\$75	-6.1%	(\$5)	
<b>Total City Property Taxes</b>	<b>\$2,383</b>	<b>\$2,560</b>	<b>7.5%</b>	<b>\$178</b>	<b>\$2,556</b>	<b>7.3%</b>	<b>\$173</b>	<b>\$2,552</b>	<b>7.1%</b>	<b>\$169</b>	

<b>Commercial/Industrial Property</b>		<b>with Estimated Pay 2012 Market Value Change of 0.0%</b>				<b>-5.0%</b>			<b>-10.0%</b>		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change	
Assessed Market Value (MV)	\$10,350,000	\$10,350,000	0.0%	\$0	\$9,832,500	-5.0%	(\$517,500)	\$9,315,000	-10.0%	(\$1,035,000)	
Tax Capacity	\$205,500	\$206,250	0.4%	\$750	\$195,900	-4.7%	(\$9,600)	\$185,550	-9.7%	(\$19,950)	
<b>City Property Taxes</b>											
Tax Capacity based Taxes	\$90,126	\$97,299	8.0%	\$7,173	\$97,299	8.0%	\$7,173	\$97,299	8.0%	\$7,173	
MV Referendum Tax	\$2,772	\$2,891	4.3%	\$119	\$2,746	-0.9%	(\$26)	\$2,602	-6.1%	(\$170)	
<b>Total City Property Taxes</b>	<b>\$92,898</b>	<b>\$100,189.91</b>	<b>7.8%</b>	<b>\$7,292</b>	<b>\$100,045</b>	<b>7.7%</b>	<b>\$7,148</b>	<b>\$99,901</b>	<b>7.5%</b>	<b>\$7,003</b>	

<b>Apartment Property</b>		<b>with Estimated Pay 2012 Market Value Change of 0.0%</b>				<b>-5.0%</b>			<b>-10.0%</b>		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change	
Assessed Market Value (MV)	\$380,000	\$380,000	0.0%	\$0	\$361,000	-5.0%	(\$19,000)	\$342,000	-10.0%	(\$38,000)	
Tax Capacity	\$4,750	\$4,750	0.0%	\$0	\$4,513	-5.0%	(\$238)	\$4,275	-10.0%	(\$475)	
<b>City Property Taxes</b>											
Tax Capacity based Taxes	\$3,301	\$3,464	4.9%	\$162	\$3,291	-0.3%	(\$11)	\$3,117	-5.6%	(\$184)	
MV Referendum Tax	\$102	\$106	4.3%	\$4	\$101	-0.9%	(\$1)	\$96	-6.1%	(\$6)	
<b>Total City Property Taxes</b>	<b>\$3,403</b>	<b>\$3,570</b>	<b>4.9%</b>	<b>\$167</b>	<b>\$3,391</b>	<b>-0.3%</b>	<b>(\$12)</b>	<b>\$3,213</b>	<b>-5.6%</b>	<b>(\$190)</b>	

<b>Apartment Property</b>		<b>with Estimated Pay 2012 Market Value Change of 0.0%</b>				<b>-5.0%</b>			<b>-10.0%</b>		
	2011	2012	% Change	\$ Change	2012	% Change	\$ Change	2012	% Change	\$ Change	
Assessed Market Value (MV)	\$686,000	\$686,000	0.0%	\$0	\$651,700	-5.0%	(\$34,300)	\$617,400	-10.0%	(\$68,600)	
Tax Capacity	\$8,575	\$8,575	0.0%	\$0	\$8,146	-5.0%	(\$429)	\$7,718	-10.0%	(\$858)	
<b>City Property Taxes</b>											
Tax Capacity based Taxes	\$5,960	\$6,253	4.9%	\$293	\$5,940	-0.3%	(\$19)	\$5,628	-5.6%	(\$332)	
MV Referendum Tax	\$184	\$192	4.3%	\$8	\$182	-0.9%	(\$2)	\$172	-6.1%	(\$11)	
<b>Total City Property Taxes</b>	<b>\$6,144</b>	<b>\$6,445</b>	<b>4.9%</b>	<b>\$301</b>	<b>\$6,123</b>	<b>-0.3%</b>	<b>(\$21)</b>	<b>\$5,800</b>	<b>-5.6%</b>	<b>(\$343)</b>	

**City of Minneapolis  
2012 Budget**

**Financial Plans**

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The schedules that follow contain the Financial Plans for the major funds of the City. Detailed financial plans are included for the following major funds, listed below. For the other funds of the City, financial information (expenditure and revenue) is included in the *Financial Schedules Section* of this report.

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# City of Minneapolis 2012 Budget

## Five-year Financial Direction 2013-2017 (Including detailed information on the City's General Fund)

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### **Introduction**

This plan reflects the City's ongoing commitment to long-term financial planning. The purpose of recommending a 2013-2017 financial direction is to provide guidance for departments on available planned resources in the City's General Fund.

The financial direction provides detailed projections for property tax supported services: the City's general fund, pensions, capital and contributions to the internal service funds. Of the \$418.5 million in the financial direction, \$379.5 million is in the City's general fund, which is the primary funding source for public safety, street paving, snow plowing and other general government services.

For the 2012 budget process, the City moved from traditional budgeting to priority budgeting to allow for the prioritization of programs. Instead of focusing on what to cut, the new process focused on where to invest. Priority budgeting allowed the City to direct resources toward programs that provide the greatest value, articulate why a program exists and provided a strategic and transparent view of City services.

In traditional budgeting, the starting point is last year's spending with increased assumptions added to the base. Revenue shortfalls are handled through cuts to this base. Departments determine how to allocate spending.

In priority budgeting, there is not a starting point. Departments are asked to submit proposals to achieve results for the City goals (priorities).

### **General Fund**

The general fund is the general operating fund of the City. Combined, the two largest revenues (state aids and property tax) have historically accounted for approximately 60-70% of total sources of funds for the general fund. The top four sources of revenue account for more than 80% of the general fund's annual financial resources.

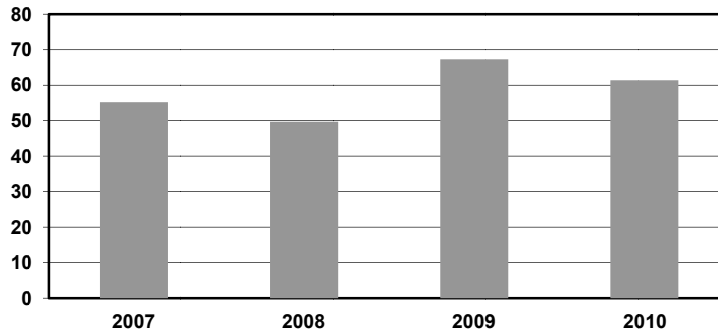
### **Historical Financial Performance**

The results of the general fund's annual operations at the end of the year reflect the fund's "fund balance," or the amount of available, spendable resources contained within the fund. The balance provides the City a reserve to cushion adverse economic shocks and to meet a portion of the City's cash flow needs. The City's policy is to maintain a minimum fund balance of 15% of the following year's revenue, which is consistent with best practices for local governments. Further, the City's financial policies place a priority on debt buy-down or debt avoidance for the use of fund balance.

The general fund began 2010 with a fund balance of \$67.3 million. The 2010 year-end fund balance in the General Fund was \$61.4 million, which is above the stated fund balance requirement of 15% of the following years' revenue budget.



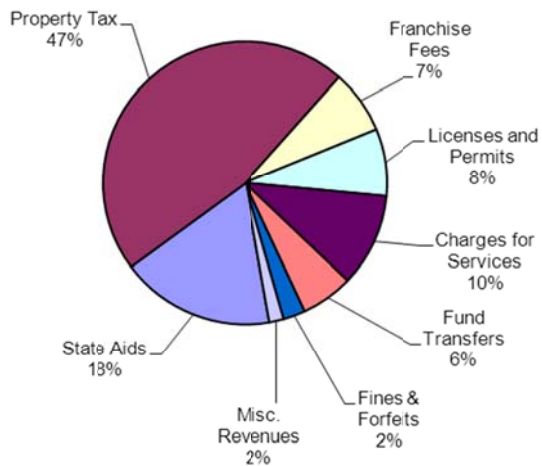
**Fund Balance  
(in millions of dollars)**



**2012 General Fund Revenue Budget**

The 2012 adopted budget includes a total of \$379.5 million of revenues for services included in the financial direction, including \$22.6 million in transfers from other funds. Budgeted revenues are 1.9% higher than the 2011 revised budget. Please note the 2011 revenues incorporate the changes that occurred during fiscal year 2011, which includes the City's reduction in state aids.

**Budgeted Revenue by Source**



Revenue Source	2010 Actual	2011 Revised	2012 Adopted	% Chg from 2011 Revised	2011 Budget as % of Total	2012 Budget as % of Total
State Aids	11.1	67.1	67.0	-0.2%	18.0%	17.6%
Property Tax	0.1	169.6	177.1	4.4%	45.5%	46.7%
Franchise Fees	3.3	27.8	27.5	-1.1%	7.5%	7.2%
Licenses and Permits	26.5	27.9	29.3	5.2%	7.5%	7.7%
Charges for Services	11.0	38.9	40.3	3.7%	10.4%	10.6%
Fund Transfers	22.7	21.2	22.6	6.8%	5.7%	6.0%
Fines & Forfeits	8.8	9.6	9.5	-1.5%	2.6%	2.5%
Misc. Revenues	6.9	10.5	6.2	-40.8%	2.8%	1.6%
<b>Total</b>	<b>90.4</b>	<b>372.6</b>	<b>379.5</b>	<b>1.9%</b>	<b>100.0%</b>	<b>100.0%</b>

**State Aids (including Local Government Aid):**

The City's local government aid (LGA) allocation is certified at the same reduced level as 2011 in 2012 and 2013 (\$64.1 million). This is based on the certification received from the State of Minnesota in late July. Typically, Minneapolis has seen LGA formula declines of about \$1.5

million each year. The major factors in the formula which lead to these typical reductions are the City's property wealth and declining motor vehicle accidents.

After 2012 the City is assumed to receive a reduction in LGA of \$0.3 million each year as a result of new state legislative provisions capping LGA formula-related reductions. This equates to \$265,000 fewer resources in the general fund annually.

*Franchise fees* are paid by various utility companies for use of City rights-of-way. Franchise fees are a percentage of total utility revenues. The City's collections vary directly with the paying utility's gross revenues. There are four franchise agreements that provide revenue for the City:

- The franchise agreement with Xcel Energy for electricity requires payment of 5% of gross revenues for residential service customers, 3% of gross revenues for commercial and industrial customers, and 5% of gross revenues on small commercial and industrial customers. The residential rate will drop to 4.5% of gross revenues beginning in January 2013. This franchise agreement expires on December 31, 2014. For 2012, the City is anticipating \$16.2 million in revenues from this franchise agreement.
- The franchise agreement with Center Point Energy/Minnegasco requires payment of 4.25% of gross revenues for residential buildings with four units or less, 5% for small commercial/industrial or interruptible customers, and 3% for large-volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2012, the City is anticipating \$8.1 million in revenues from this franchise agreement.
- The City also has two smaller franchises:
  - The bus stop advertising franchise generates approximately \$100,000 in revenues.
  - The City's cable franchise is anticipated to generate \$3.1 million in 2012.

The 2012 budget anticipates the total franchise fee revenue to be \$27.5 million.

*Licenses and Permits* create significant revenue for the City's General Fund. The City issues licenses and permits for a wide variety of regulated activities. Building permits are a major component of this revenue category. The 2012 budget anticipates a 5.2% increase in licenses and permit revenue.

*Fines and Forfeitures* are anticipated to decline by 1.5% in 2012.

### **2012 General Fund Expenditure Budget**

The 2012 adopted budget for services included in the financial direction is \$379.5 million, which includes \$41.6 million in transfers to other funds. Please note 2011 expenditures incorporate the changes that occurred during the fiscal year 2011, including the reduction in state aids.

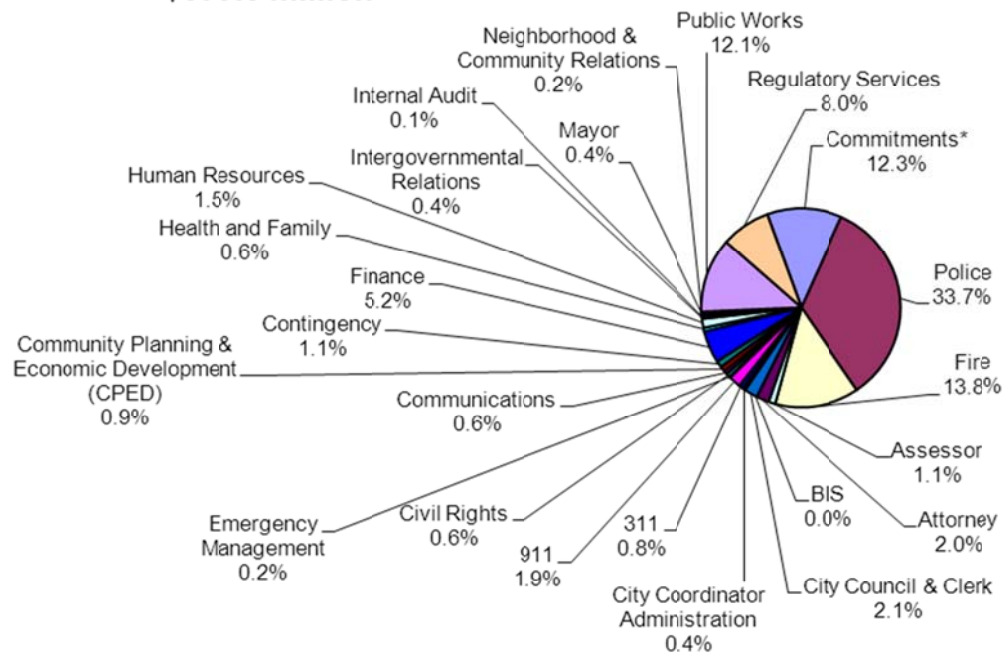
Approximately 62% of the overall expenditure budget is related to personnel costs. In the 2011 adopted budget, Council directed the Finance department to revise the five-year financial direction to reflect no increase in City salaries for a two-year period. For contracts that were settled in 2011 at the time of this action, budgets are adjusted in 2012 and 2013. Department budgets reflect a slight increase in the financial direction for 2012 to account for salary progression in 2011. This assumption change does not affect Independent Boards.

In the General Fund, salary and wage expenditures increased from \$167.4 million in 2011 revised to \$168.8 million in 2012. Settled contracts to date as well as department reductions are reflected. The largest contract, which includes Police sworn, non-appointed positions such as officers and captains, is settled for 2011. The contract was settled at a 1.5% increase. The salary and wages expense category also includes overtime costs, contractually-obligated payments, and one-time funding.

Employer health insurance costs increases 4% from 2011. This is a significant drop from the estimated 10% increase in the City's planning estimates. Programmatic budgets are reflective of the reduction in health care costs.

Non-personnel line items increased by 1.6% in the 2012 budget.

**Expenditures by Service Area  
\$379.5 million**



\*Commitments include: transfers to the internal service funds, pension obligations, payment to Hennepin County related to the library system, and other miscellaneous transfers.

**Major Changes in the 2012 Council Adopted Budget**

*The 2012 Council Adopted Budget incorporates a new funding methodology based on funding programs instead of departments. Because the City is in the midst of incorporating this policy into its budget process, the information below is descriptive of changes the Mayor and Council made to program submissions from departments, organized by department. It is anticipated that in future years, program submissions and organization of the department will be based on goal areas as opposed to departments.*

## **Citywide**

Department budgets reflect no increase in City salary schedules for 2011 or 2012 with unless units have a settled contract. For contracts that were settled in 2011, budgets for salary schedule increases should be adjusted in 2012 and 2013. While the 2012 budget does not include salary schedule increases, the budget has been adjusted for additional salary costs resulting from step movement in 2011. This assumption change does not affect Independent Boards. In 2012, no department has a settled bargaining unit contract so a 0% salary schedule adjustment was included citywide with the exception of independent boards.

The Mayor's Recommended Budget reduced health care budgets for all departments to reflect the final contract for health care costs in 2012. The Council adopted the Mayor's recommendation.

Internal Service Fund obligations: The 2008 adopted long-term financial plans begin reducing the General Fund's contribution to the internal service funds in 2010, but to create capacity in order to hold down property tax levy increases in future years, the General Fund will accelerate the workout plan schedule from full completion in 2019 to 2015. The Mayor recommended a reduction in obligations to the fund of \$3.6 million over three years. The Council adopted the Mayor's recommendation.

The Mayor's Recommended Budget redeemed the entirety of the remaining principal on the \$114 million in bonds issued for the Minneapolis Employees Retirement Association (now a division of the Statewide PERA pension fund), and the Minneapolis Police Relief Association. This redemption created significant additional debt capacity in future years and eliminated the interest payments associated with the debt that are charged at a 5.8% annual rate. The Council adopted the Mayor's recommendation.

The 2011 departmental expenditures and revenues incorporate changes that occurred during the fiscal year 2011, including reductions enacted as the result of reductions to State Aids as specified in the 2011 Adopted Budget Resolution.

## **Departments**

Listed below are summaries of the actions reflected in the Mayor's Recommended and Council Adopted budgets compared to the program budget submissions made by departments.

### **Assessor**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

### **Attorney**

*Mayor's Recommended Budget:* The Mayor recommended that the department reduce \$300,000 and 2 FTE's, one each in the Criminal Prosecution and Community Attorney Prosecution programs. The difference should be managed with non-personnel reductions.

*Council Adopted Budget:* Council approved the Mayor's recommendations. Additionally, Council made the following staff directions:

- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.

## **BIS**

*Mayor's Recommended Budget:* The Mayor recommended \$240,000 in one-time startup money for the Employee Computing Mobility program and \$50,000 as well as in ongoing costs, for a total of \$290,000 in General Fund money, making no other changes to department program funding.

*Council Adopted Budget:* The Council approved the Mayor's recommendations and amended the budget to decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services Department by \$240,000 and increase 2012 funding in the Communications Department for the MTN program by \$150,000 on a one-time basis, the City Council and Clerk Department by \$30,000 on a one-time basis, and the Internal Audit Department by \$60,000 on a one-time basis.

Further, the Council directed BIS to work with ISPSG to make implementation decisions regarding the deployment of the Employee Computing Mobility Program.

## **City Council & Clerk**

*Mayor's Recommended Budget:* The Mayor recommended:

- Elections Administration: Includes a planned increase of \$500,000 for election year 2012. The Mayor recommended a \$100,000 cut to this program from 2011 spending levels.
- Board of Appeal and Equalization: The Mayor recommended a \$600 cut from 2011 spending levels.
- Records & Information Management: The Mayor recommended no funding for the enhanced program and a \$6,000 cut from 2011 spending levels.
- City Records Center: The Mayor recommended a \$12,000 cut from 2011 spending levels.
- Council Staff – Constituent Services and Policy Development: The administrative portion of these programs remains in Clerk & Elections.
- City Council: The Mayor recommended no change.
- Council Staff – Constituent Services: The Mayor recommended a ten percent reduction from 2011 spending levels because 311 reduces the call volume to Council offices.
- The Mayor recommended that Council be separated from City Clerk and Elections.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendations with the following amendments: Increase the City Council & Clerk Department appropriation by \$125,000 to offset reductions; direct staff to reduce City Council's 2012 ward budgets by 12%, setting each ward budget at a total of \$10,490, transfer \$30,000 from the BIS Employee Mobility Project and transfer that amount of the City Council & Clerk Department and delay final action of funds regarding the 2011 roll-over of individual ward budgets until all 2011 expenses have been accounted and paid,

and direct staff to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures. Additionally, Council also combined the budgets of the City Council and City Clerk.

### **City Coordinator Administration**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$20,000 from the department's 2011 program proposals.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

#### **311** (a Division of City Coordinator Administration)

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council decreased the Mayor's Recommended Budget for 311 by \$125,000 on a one-time basis and increased the City Council & Clerk Department appropriation by \$125,000 on a one-time basis.

The Council also directed 311 to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures.

#### **911** (a Division of City Coordinator Administration)

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$50,000 from the department's program proposal.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

### **Emergency Management** (a Division of City Coordinator Administration)

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget for Emergency Management by increasing the department's General Fund allocation by \$226,303 and decreasing Regulatory Services' General Fund budget by \$226,303. Also, the Council directed Regulatory Services to transfer two FTE (an Administrative Analyst I and Administrative Analyst II) to Emergency Management.

The Council further directed the City Coordinator's Administration Department to make regular reports to relevant Council committees on the success of grant applications for emergency management functions.

### **Civil Rights**

*Mayor's Recommended Budget:* The Mayor recommended a 2012 budget of \$2.156 million, including:

- **Contract Compliance:** The Mayor recommended a reduction of \$89,000 and one position from 2011 spending levels.

- Minneapolis Civil Rights Complaint Investigations Program: The Mayor recommended a 5%, or \$36,000 cut from 2011 spending levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendations and added \$90,000 and 1 FTE to the department.

## **Communications**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$126,000 including 1 FTE and an additional \$250,000 cut to MTN Public Access Television with other programs funded at current expenditure levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget for the Communications Department by increasing one-time funding for MTN by \$150,000 from the Employee Computing Mobility Program budgeted in the Business Information Services Department.

The Council directed the Communications Department to request from MTN additional information about hours of original programming produced and broadcast, demographic information about contributing producers, training and utilization of studio space, and to report back to Ways & Means/Budget Committee no later than March 1, 2012.

The Communications Department is further directed to complete a best practices study into other models to address public, education and government access television and report back to the Ways and Means/Budget Committee no later than June 20, 2012.

CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

## **Convention Center**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **CPED**

*Mayor's Recommended Budget:* The Mayor recommended funding the department at the requested level with reductions to growth for a slower than anticipated rise in health care costs. The Mayor recommended funding the One Minneapolis program with \$300,000 in one-time funding to be jointly administered with Civil Rights, \$75,000 in one-time funding for the Mayor's regional export growth strategy initiative which will enable Minneapolis to work more effectively with companies considering exporting or seeking to grow by exporting to additional markets and be implemented through CPED - Economic Development Division's existing business calling plan, and \$150,000 for Greater MSP in one-time funding.

The Mayor also recommended that the department eliminate policy assistance for CLIC, reduce heritage preservation funding by \$123,000 (81,600 in General Fund money), eliminate

departmental support for the Arts Commission, and thereby, reducing two FTEs in the planning department. The Mayor's recommendation also included the reduction of four additional FTEs across three programs – Corridor Vitality Investment Program, Minneapolis Youth Program, and Protection, Preservation and Design of the Built and Natural Environment. The Mayor also recommended a \$100,000 program enhancement for the Minneapolis Youth Program.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget by increasing the Year 38 allocations for Other Consolidated Plan Entitlements to HOME Investment Partnerships by \$2,072,652; and to the Emergency Solutions Grant (ESG) by \$1,014,625.

The Council also increased the Year 38 allocation for CDBG for Multi-Family/Affordable Housing by \$164,601.

The Council directed that the Year 38 Community Development Block Grant (CDBG) Consolidated Plan capital allocation to CPED be amended by reducing the allocation to NEDF/CEDF (Great Streets) by \$718,056 and increasing the allocation to Adult Training by \$380,000, increasing the allocation to Commercial Property Investment by \$139,000 and increasing the allocation to the Vacant and Boarded Building Program by \$199,056.

The Council also amended the Mayor's Recommended Budget for CPED by increasing the operating budget as follows:

- (1) Fund 01CUB - United Van/Bus \$200,000;
  - (2) Fund 01CRS - Rosacker Nursery \$525,000;
  - (3) Fund 01CPD - Portland place \$70,000;
  - (4) Fund 01CST - Stinson Tech. Campus \$300,000;
  - (5) Fund 01CFR - Former Federal Reserve \$500,000; and
  - (6) Fund 01CUV - Urban Village \$405,000
- for a total of \$2 million.

The Council further amended the Mayor's Recommended Budget by transferring \$90,000 from the RENEW program within CPED to Civil Rights.

The Council also amended the Mayor's Recommended budget for CPED by increasing CPED's expenditure budget by \$92,000 and increasing CPED FTE by 1 (Zoning Inspector II).

The Council further amended the Mayor's Recommended 2012 Capital Budget for Community Planning and Economic Development to allocate \$50,000 in Fund 01CLC (Location Contribution) for the It's All About Kids program, by decreasing the 2011 allocation for the Affordable Ownership Housing Program by \$50,000 and subsequently amending the Council's September 2, 2011 action to reduce the reallocated Affordable Ownership Housing Program funding that capitalizes the revolving loan fund for Neighborhood Stabilization Program projects from \$750,000 to \$700,000.

The Council rescinded its previous action committing \$5 million in UDAG funding to the planetarium project and returned discretionary control of these funds to CPED.

The Council directed the Community Planning and Economic Development Department to work with the Finance Department to prepare and present a methodology for the proposed Growth Fund. These presentations must be made prior to April 1, 2012, to both the Ways and Means/Budget Committee and the Community Development Committee.



CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

CPED is directed to increase fees for land use applications by 3.5% in 2012. Zoning re-inspection fees will be increased from \$150 to \$200.

CPED is directed to allocate up to 7.5% of Community Development Block Grant funds for Emergency Shelter Grants to Intergovernmental Relations.

The Council directed Public Works and CPED to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:

- a) Create defined project area;
- b) Establish Timeline, schedule, benchmarks; and
- c) Design and implement community and stakeholder engagement.

Staff is further directed to report back to CD and TPW committees by end of the first quarter 2012 on progress and with any recommendations.

## **Finance**

*Mayor's Recommended Budget:* The Mayor recommended a \$250,000 reduction from 2011 department proposals.

*Council Adopted Budget:* The Council approved the Mayor's Recommendations and included the following directions. The Finance Department is directed to amend all schedules and final budget documents by removing references to the Growth Fund.

The Finance Department is directed to remove all funding and FTE associated with the Homegrown Minneapolis Business Development Initiative from the City's financial schedules.

Finance Staff is directed to report to the Regulatory, Energy & Environment Committee and Ways and Means by January 31, 2012 about cost recovery models in every department.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

## **Property Services** (now a Division of the Finance Department)

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Fire**

*Mayor's Recommended Budget:* In 2011, the Mayor restored \$1.1 million to the department's base to restore positions that would have otherwise been eliminated by the removal of one time funding. The Mayor recommended the following changes:

- Fire Suppression, Emergency Medical Service and Emergency Rescue: The Mayor recommended a reduction of 1 FTE from 2011 spending levels.

- Training and Recruitment: The Mayor recommended a reduction of \$200,000 in non-personnel expense from 2011 spending levels.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's recommendation with the following amendments: amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change.

Council directed the Fire Department to work with its consultants to evaluate the arson investigation functions performed by Fire personnel, including the potential for revising staffing models as well as work share agreements with MPD.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

### **Health and Family Support**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- Youth Development: The Mayor recommended a 10%, or \$44,000 cut from 2011 spending levels.
- Health Care Safety Net: The Mayor recommended a \$200,000 cut from 2011 spending levels.
- Public Health Emergency Preparedness: The Mayor recommended no general fund funding. The program will maintain \$374,872 in grant revenue.
- Community Health Assessment, Engagement, and Policy: The Mayor recommended an \$8,000 cut from 2011 spending levels.

The Mayor did not fund:

- Green and Healthy Homes; Aligning grant resources for greater impact.
- Advocacy Services for Victims of Domestic Violence.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* Council adopted the Mayor's Recommendation with the following amendments and staff directions:

- Direct MPD and Health to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation.
- The department's budget is reduced by \$106,000 and one FTE (Senior Ombudsman) is moved to Neighborhood and Community Relations.
- The department's budget is increased by \$72,000 in CDBG funding for Neighborhood Services.
- The department's budget is increased by \$60,000 for the Domestic Abuse Project.

## **Human Resources**

*Mayor's Recommended Budget:* The Mayor recommended a 50% cut to the department's training and development program with all other programs funded at the current level.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations for this department and amended the 2012 operating budget for Human Resources programs to allocate \$119,253 in previously unallocated dollars to specific programs as follows: Administration \$8,687; Classification \$2,240; Compensation \$2,240; HRTS \$28,223; Labor Relations \$7,674; Management \$38,296; Recruiting \$22,312; Diversity \$7,250; and Training \$2,331.

## **Intergovernmental Relations**

*Mayor's Recommended Budget:* The Mayor recommended an additional \$50,000 to cover the costs of airport consulting services while reducing 1 FTE.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Internal Audit**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of 1 position.

*Council Adopted Budget:* The Council amended the Mayor's Recommended Budget by moving \$60,000 on a one-time basis from Employee Computing Mobility Program (BIS) to Internal Audit and restored 1 position in the Internal Audit Department to be hired mid-year for a total addition of 0.5 FTE for 2012.

## **Mayor**

*Mayor's Recommended Budget:* The Mayor recommended a \$15,000 ongoing, and a \$45,000 one time cut from 2011 spending levels to the Mayor's Administration program.

*Council Adopted Budget:* Council approved the Mayor's recommendations.

## **Neighborhood and Community Relations**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of \$120,000 (including 1 FTE) from 2011 spending levels.

The Mayor recommended the Neighborhood Revitalization Program phase out operations during calendar year 2012 and be transferred to this department.

*Council Adopted Budget:* The Council increased the Mayor's Recommended Budget for the Neighborhood and Community Relations Department by \$106,000 from Health and Family Support, and moved 1 FTE (Senior Ombudsman) from the Health and Family Support Department to the Neighborhood and Community Relations Department.

Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

The Council directed unspent funds from the 2011 NRP operating budget after paying all shut down expenses to the NCR Department.

## **Police**

*Mayor's Recommended Budget:* The Mayor recommended a reduction of 24 FTE including 2 managerial positions and 17 officers. Sworn positions shall be reduced through attrition and reassignment.

The Mayor recommended a total general fund budget of \$128.015 million for the Police Department. The recommendations included \$4.42 million in reductions to growth including:

- \$1.16 million, including 12 FTE (5 non-sworn and 7 sworn) from the Community Engagement Program.
- \$1.76 million, including 3 FTE, overtime and non-personnel reductions to contractual services (including fleet) from all programs, including personnel reductions in Administration and Training program and overtime reductions in Criminal Investigations Program.
- \$1.51 million including 9 FTE and non-personnel savings in the Public Safety Services Program.

*Council Adopted Budget:* Council adopted the Mayor's Recommendation and adopted the following staff directions:

- MPD is directed to use a portion of their 2011 unused contingency to retain Community Crime Prevention Specialists.
- MPD is directed to provide a staffing update to the Public Safety, Civil Rights and Health and Ways & Means/Budget Committees by April 15, 2012, to allow effective workforce planning for the 2013 budget. The plan should include positions that are not required to be performed by sworn staff, an ongoing funding plan for Community Crime Prevention Specialists; and an ongoing funding plan for sworn officer hiring.
- MPD and Health are directed to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation
- MPD should report back to the Regulatory, Energy and Environment and Ways & Means Committees by January 31, 2012, with a plan to ensure that salaries of MPD staff whose job duties that engage in regulatory functions are paid for out of license fees, not general funds.
- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.
- MPD is directed to use the department's 2011 budget savings to fund a \$31,000 City contribution to the St. Anthony Falls Heritage Board and a \$50,000 City contribution to the Mississippi Riverfront Partnership.

## **Public Works**

*Mayor's Recommended Budget:* Please see division sections for Mayor's recommendations.

*Council Adopted Budget:* Council adopted the following staff directions:

- Public Works is directed to report to the Transportation and Public Works committee by January 31, 2012 proposed specific projects for the 2012 Capital Budget Paving Program.
- The Public Works Department is directed to determine a strategy for shifting the costs of cleaning graffiti off city infrastructure from the Solid Waste Enterprise Fund and into the operating budgets responsible for maintaining the infrastructure where the graffiti lands. A presentation on the department's graffiti clean-up strategy is to be made to the Ways & Means/Budget Committee prior to or during their regularly scheduled meetings in March.
- Public Works and CPED are directed to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:
  - a) Create defined project area;
  - b) Establish timeline, schedule, benchmarks; and
  - c) Design and implement community and stakeholder engagement.

Staff is further directed to report back to Community Development and Transportation and Public Works committees by end of the first quarter 2012 on progress and with any recommendations.

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from:

- Sewer: from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter
- Water: from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter

### **Administration**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Fleet Services**

*Mayor's Recommended Budget:* The Mayor recommended no changes.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Solid Waste and Recycling**

*Mayor's Recommended Budget:* The Mayor recommended \$32.88 million, including \$150,000 for graffiti microgrants.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

## **Surface Water & Sanitary Sewer – Sanitary Sewer**

*Mayor's Recommended Budget:* The Mayor recommended a rate increase of \$0.32 per 100 cubic feet to \$3.37 in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.05.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter.

## **Surface Water & Sanitary Sewer – Stormwater**

*Mayor's Recommended Budget:* The Mayor recommended a rate increase of \$0.28 per ESU to \$11.70 in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, the Council adopted utility rates for water, sewer, stormwater and solid waste and recycling services. The Council adopted the recommended rate of \$11.70 per ESU.

## **Traffic & Parking**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- **Street Lighting:** The Mayor recommended an ongoing reduction to growth of \$156,000 and 2 positions. This reduction will be offset by one-time funds of the same amount, which will delay the reduction of 2 positions. This ongoing reduction will increase the time between the report of needed street light maintenance and the repairs.
- **Traffic:** The Mayor recommended an ongoing reduction to growth of \$108,000 and one position. This reduction will be offset by one-time funds of \$94,000, which will delay the position reduction.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

## **Transportation Maintenance and Repair**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- **Bridge Maintenance and Repair:** The Mayor recommended a reduction to growth of \$25,000 from contractual services. This reduction will reduce professional services used to support bridge maintenance activities without a noticeable impact to the public.
- **Street Maintenance & Repair:** The Mayor recommended a reduction to growth of \$306,000. This reduction will eliminate preventative maintenance on residential and local streets.

- Snow & Ice Control: The Mayor recommended a reduction to growth of \$700,000. This reduction will reduce snow removal provided after snow events.
- Malls & Plazas: The Mayor recommended a reduction to growth of \$200,000 and 2.5 positions. This will reduce maintenance and support activities for neighborhood gardens, center island medians, maintenance of irrigation systems, mowing and trash pickup on city-owned green spaces.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations with the following technical adjustment:

- Decrease the Bridge Maintenance and Repair program by \$25,000;
- decrease the Street Maintenance and Repair program by \$100,000;
- decrease the Snow and Ice program by \$75,000;
- and increase the Malls and Plazas program by \$200,000.

### **Transportation Planning and Engineering**

*Mayor's Recommended Budget:* The Mayor recommended the following changes:

- Transportation Planning & Management: The Mayor recommended an increase of \$200,000 to fund work on capital projects for which costs are not recoverable.

The Mayor recommended no changes to the other programs.

*Council Adopted Budget:* The Council adopted the Mayor's recommendations.

### **Water Treatment and Distribution**

*Mayor's Recommended Budget:* The Mayor recommended a water utility rate increase of \$0.16 to \$3.36 per unit in 2012. The Mayor recommended no changes to the program.

*Council Adopted Budget:* On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.20.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter.

Additionally, the Council approved a technical adjustment of 6.34 FTE from the Mayor's recommendation to be funded within existing resources.

### **Regulatory Services**

*Mayor's Recommended Budget:* The Mayor recommended that the Homegrown Minneapolis Phase III and 1 FTE be housed in Regulatory Services and funded by increased license fees. Further, the Mayor recommended:

- Construction Code Services (CCS): The Mayor recommended a reduction of \$103,000 and 1 FTE from 2011 spending levels.
- On-site Traffic Control & Parking Enforcement Services: The Mayor recommended a reduction of \$18,000 and increased revenue of \$100,000 from 2011 spending and revenue levels.
- Regulatory Services Fire Inspections: The Mayor recommended an increase in fire inspection fees to increase revenue by \$30,000 from 2011 revenue levels.
- Regulatory Services Housing Inspections: The Mayor recommended a reduction of \$165,000 and 1 FTE from 2011 spending levels.
- Animal Control: The Mayor recommended a reduction of \$184,000 and 1 FTE from 2011 spending levels.
- Environmental Health/Licenses and Consumer Services: The Mayor recommended a reduction of \$50,000 from 2011 spending levels.
- Healthy Homes and Residential Lead Hazard Control: The Mayor recommended a reduction of \$9,000 from 2011 spending levels.
- Homegrown Minneapolis Phase III: fund this program in Regulatory Services. Increased Regulatory Services' revenue should match expense.
- Minneapolis Development Review: a cut of \$112,000 and 1 FTE from 2011 spending levels.
- Environmental Services: a cut of \$238,000 and 1 FTE from 2011 spending levels.

In addition, the Mayor recommended reduction of an administrative position, reduced spending on contractual services, and a reduction of interns from 2011 spending levels. Reductions for those costs have been spread across programs.

*Council Adopted Budget:* Council approved the Mayor's recommendations with the following amendments

- Remove all funding and FTE associated with the Homegrown Minneapolis Business Development Initiative and decrease Regulatory Services' budget by \$142,202.
- Amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change. Regulatory Services' is directed to return to the Ways and Means/Budget Committee by March 1, 2012, with a renegotiated Memorandum of Understanding between Regulatory Services and MFD.
- Council directed Regulatory Services to request funds for the Public Safety-Animal Control Program a part of the usual year-end rollover process provided in the City's financial policies.

## **Independent Boards:**

### **BET**

*Mayor's Recommended Budget:*

The Mayor recommended no changes to BET's budget.

*Council Adopted Budget:* Council approved the Mayor's recommendation.



## MBC

### *Mayor's Recommended Budget:*

The Mayor recommended that MBC use fund balance to pay MERF debt service.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

## Park Board

### *Mayor's Recommended Budget:*

The Mayor recommended \$4.9 million for the Park Board for operating costs to maintain capital infrastructure. Overall, the Mayor recommended property tax and LGA revenue of \$53.84M. After subtracting shared costs and capital projects funded by the Park levy, the Mayor recommended \$51.043M in revenue for the Park Board.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

## MPHA

### *Mayor's Recommended Budget:*

The Mayor recommended no tax levy for MPHA, but recommended no changes to the MPHA budget, which includes a PILOT reduction of \$398,000.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

## YCB

### *Mayor's Recommended Budget:*

The Mayor recommended a \$44,000 cut to the Youth Development program in the City's Health and Family Support department. This reduction will be passed to YCB as a reduction in contractual services.

*Council Adopted Budget:* Council approved the Mayor's recommendation.

## Five-Year Financial Direction

*Property tax estimates are based upon the Council adopted tax policy.* The Council adopted a tax policy of no increase in 2012, 3% in 2013, 4% in 2014 and 2015, 4.5% in 2016 and 2017. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments and independent boards: 3.2% in 2013; 4.2% in 2014; 4.3% in 2015; 4.5% in 2016 and 4.7% in 2017. The City is not subject to levy limits under current law.

*The 2012 budget is the basis for future projections:* In

Summary of Five-Year Financial Direction (dollars in millions)	
Department	2017 Resources
Police	\$157.0
Fire	64.1
Public Works	56.5
Regulatory Services	37.1
Health and Family Support	3.0
Civil Rights	2.6
Capital Plan (pay-go and debt)	36.0
Pensions	26.0
All other spending	93.8
<b>Total</b>	<b>\$476.1</b>

other words, the starting place for the 2013-2017 department budget estimates is what is included in the 2012 budget. One-time 2012 supplemental items are removed from department budgets in 2013 and beyond.

*The financial direction from 2013 to 2017 contains updates to departmental resources:* The financial direction includes the most updated assumptions about contract settlements and other commitments.

*Reductions to departmental growth required in 2012 only.* The departmental cuts necessary to balance the five-year financial direction are required in 2012. Any future balances have been allocated to the operating contingency fund.

*Salary Assumption* – The City adopted a compensation philosophy during 2007. The philosophy does not specify a salary policy. It is anticipated that salary settlements will vary within and between bargaining units, but overall are projected to experience a 0% increase in 2012 for unsettled contracts and in 2012-2013 for currently settled contracts. Salaries are assumed to increase 2.5% thereafter. Assumptions are updated annually as contracts are settled.

### **Capital and Debt Service (including pensions)**

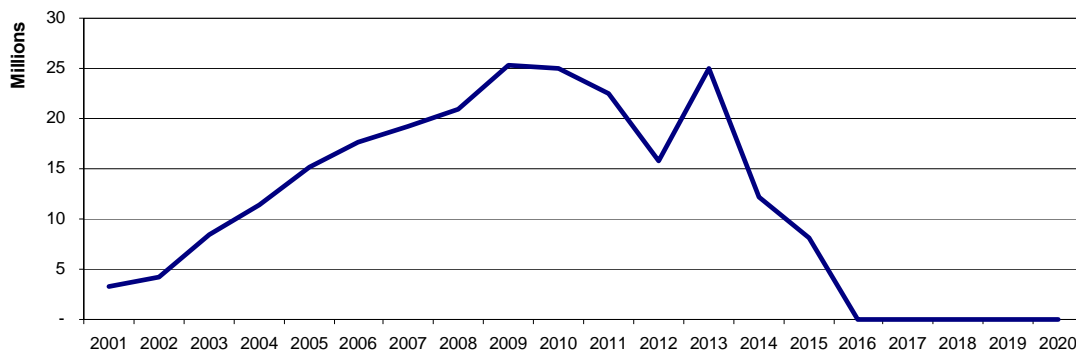
*Pressure on capital project budgets continue.* Due to cuts in LGA as part of the State of Minnesota's adopted biennial budget, the City was forced to eliminate \$45 million of planned capital improvements to be funded with general fund transfers. In response, since the City can no longer afford to postpone needed improvements to infrastructure, this budget recommends a \$56.565 million increase in net debt bond funding in the five-year capital plan over the previously adopted plan. The previously approved net debt bond funding level was insufficient to make any progress on improving the City's infrastructure and was not keeping up with construction inflation which generally exceeds the non-construction inflation rates. The increase continues the infrastructure acceleration program started in 2009 which used one-time trust fund resources of \$22.6 million for years 2009 – 2013. The primary emphasis of the expanded resources will be used to improve the street infrastructure. The Bond Redemption Levy will start to see increases starting in 2014 to allow for the expanded net debt bond program to continue this emphasis. Even with these extra resources, there remains considerable pent up demand for public works, park board and technology infrastructure investment.

The Net Debt Bond (NDB) program is paid for with property tax collections. The five-year financial direction for the bond redemption levy included increases in 2014 and significant increases in 2015 and beyond for capital improvements. These increases are possible because as the demand for property tax resources for the internal service fund financial plans is reduced, the bond redemption levy is increased. In order to expedite capital improvements in 2012 and 2013, the City will extend debt maturities slightly longer than current practice for new issuances until the higher bond redemption levies are realized. This plan also includes an increase in base levies of approximately \$4 million starting in 2014 versus the previous long-term financial plan to pay for the higher capital level. These property tax supported net debt bonds help to leverage many funding sources in the five-year plan.

*Funding for internal service fund long-term financial plans.* To meet the goals of the adopted long-term financial plans, these obligations continue through 2019 at a declining level. The 2008 adopted long-term financial plans begin reducing the General Fund's contribution to the internal service funds in 2010, but to create capacity in order to hold down property tax levy

increases in future years, the General Fund will accelerate the workout plan schedule from full completion in 2019 to 2015. The Council adopted a reduction in obligations to the fund of \$3.6 million over three years.

#### General Fund Support for Internal Service Funds

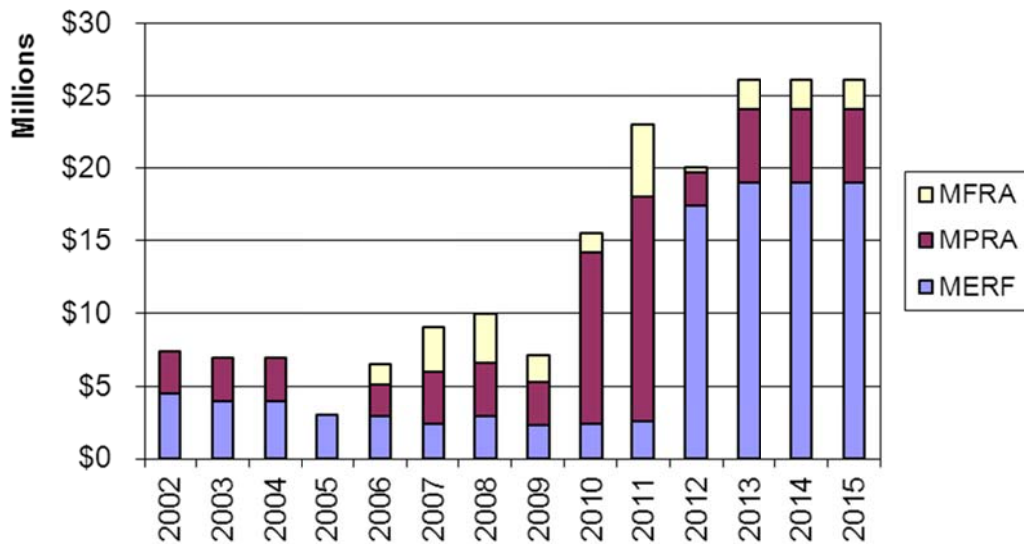


In addition, as one-time resources have become available, the elected officials have prioritized the avoidance and pay down of debt. The following table highlights these important decisions:

Description (year decided)	Amount (millions)
Hilton Legacy Fund (2003) – proceeds from the sale of the City's share in the downtown hotel.	\$12.5
Year-end savings from 2004 (2005)	\$15.0
One-time LGA, general fund resources (2005 for 2006)	\$10.0
2007 one-time resources	\$3.0
Pre-payment of BIS workout plan obligations for 2012 (2009)	\$1.5
Pre-payment of Self Insurance Fund workout plan obligations for 2011 (2010)	\$3.5
Payment of pension obligations (2010 Revised)	\$2.8
Pre-payment of Self Insurance Fund workout plan obligations for 2012 and 2013 (\$5.6 million); reduction to transfer of \$1 million to the Self Insurance Fund given fund's financial performance (2011)	\$4.6
Postponement of Fleet Fund workout plan obligations for 2012 to 2013 and prepayment of 2014 obligations in 2013 (net zero impact)	\$0
Acceleration of workout plan obligations and \$3.6 million reduction to BIS workout plan obligations	\$3.6
<b>Total</b>	<b>\$56.5</b>

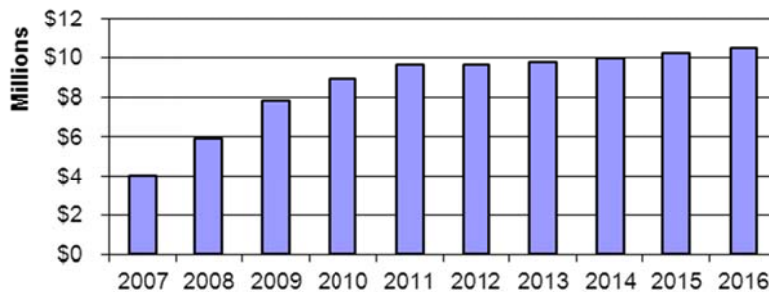
**Funding for pension liabilities.** The property tax needed to support closed pension fund-related obligations is \$44.1 million in 2012, and estimated to shrink to \$29.4 million in total obligations in 2013. The debt service portion, included in the numbers above is \$24.4 million in 2012, which will retire the remaining pension debt obligations issued for the City's closed funds, eliminating debt service payments in 2013 and all future years. These projections reflect the MPRA and MFRA merger into the Statewide PERA Police & Firefighters pension fund. The five-year financial direction includes an additional obligation assigned to the City for the asset losses in the Minneapolis Employees Retirement Fund beginning in 2012. The City also has increasing obligations for the pension plan most City employees are in, the Public Employees Retirement Association (PERA).

### Closed Pensions - Projections and Growth 2002-2015



Note: This chart reflects the General Fund-supported debt service (\$24.4 million) and does not include the direct levies (\$19.7 million). Total property-tax supported pension obligations equal \$44.1 million.

### PERA Pension Obligations: Cumulative Annual Increase



### Change in Contingency for Adverse Circumstances

Contingency exists for adverse circumstances. Examples of adverse circumstances the City has encountered include reductions in LGA, unemployment costs and increased pension obligations.

For the 2013-2017 five-year financial direction, any available funds remaining on the bottom line have been included in contingency to pay for unforeseen costs such as pensions.

### What other pressures does the City face in future planning efforts?

The City faces several pressures for which a policy decision has yet to be reached:

- *Property taxes:* Future projections plan on the Council adopted property tax increases (outlined below) to support future services – reducing the growth in property taxes in the face of declining LGA and increase pension costs will require more department reductions.
- *Park Board:* Like other participants in the City's capital funding pool, the Park Board faces significant capital pressures to maintain the facilities it operates.
- *Enterprise funds:* The enterprise funds have experienced a decline in their financial condition (primarily working capital), largely related to increasing debt loads related to approved capital projects.
- *Performance Information:* As the City continues to gain experience with using results information for performance discussions, it will need to undertake benchmark development in using this information for financial decision making.
- *Department Reductions:* The City will continue to see issues with ability to keep up with enterprise demands while subject to increased costs.
- *Annual Buying Commitment for Wireless Services:* As part of the agreement with US Internet to build a citywide wireless network, the City committed to purchase \$1.2 million of wireless services each year from 2008 through 2017. The transition from wired to wireless technology will require tradeoffs within departmental budgets. The wireless commitment was reflected in non-General Fund departments' budgets starting in 2011 (General Fund departments' share of the commitment is transferred directly to the Intergovernmental Services Fund and therefore is not reflected in operating budgets of those departments).

### **Assumptions for 2012-2017**

- The tax policy for 2012-2017 is as follows: 0% in 2012; 3% in 2013; 4% in 2014-2015; 4.5% in 2016 and 2017. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments and independent boards: 3.2% in 2013; 4.2% in 2014; 4.3% in 2015; 4.5% in 2016 and 4.7% in 2017.
- Contingency increased to provide cushion for uncertainty related to pension costs and economic conditions.
- For unsettled contracts, the direction assumes a 0% salary increase in 2012. Any increase above 0% will be funded through existing departmental appropriation.
- Health increases are assumed at 4% in 2012; 12% in 2013; and 16% thereafter.
- No additional cuts other than what was included in the five-year financial direction are included for the permanent improvement levy or for debt service. The Mayor recommended and Council adopted an increase of \$25 million in a capital program in 2013 for Public Works capital projects.
- Reductions in LGA of \$0.265 million annually (excluding independent boards) are reflected in 2014-2016.
- Revenues in the general fund are NOT assumed to increase, except for licenses and permits which are anticipated to increase by 3.0% annually.
- No additional revenues are anticipated from public works (assessments, other fees).
- No additional programs or services are added – they would need to be funded by new revenue or through departmental efforts to reduce costs.
- Currently adopted pension law is reflected.
- Pension estimates in the plan include the impact of the 2008 of investment returns of -30%.
- Full funding of pension and internal service fund debts are included. Constraints in internal service funds are maintained.
- Base entertainment tax from the Convention Center fund flows at a higher rate (\$13 million in 2012) due to the revenue stream from Target Field sales.
- The State has implemented a new program called the Homestead Market Value Exclusion. The program replaces the Homestead Market Value Credit. The new program excludes a portion of a homestead's property value from taxation instead of the old program in which a homesteaded property received a credit that reduced the property taxes paid. No other changes to state tax law regarding property taxes as assumed for the remainder of the plan.

**Property Tax Revenue Distribution.** In 2010, the City adopted a “shared revenue” approach based on the sum of the following: total property tax revenue, total Local Government Aid revenue, and total General Fund revenues. From this total, shared costs are deducted, including: pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher’s Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, General Fund Overhead associated with the Park Board and Municipal Building Commission (MBC), General Fund Overhead for others, and General Fund transfers to other funds. The remaining revenues are then identified as being available for “activities.”

“Activity” definition for MBC excludes the General Fund Overhead transfer to the City. “Activity” definition for the Park Board excludes the General Fund Overhead transfer to the City, the HR Benefits Administration Fee paid to the City and the Park Board levy supported capital projects.

The annual percentage change in revenue available for activities of the City, Park Board and MBC are the same for each entity beginning in 2013. In 2012, both the Park Board and MBC adopted no increase to property tax and LGA revenues. The Mayor made an overt policy decision to increase funding in the City’s General Fund to fund firefighters and the Council adopted this decision. This means the three entities will have different activity percentage changes.

**2012 >>> 2017 Adopted Budget  
Activities Approach**

Estimated Property Tax Levies % Change >>> Activities Approach Levy & LGA Entities	for					
	0.00% 2012 Budget	3.00% 2013 Budget	4.00% 2014 Budget	4.00% 2015 Budget	4.50% 2016 Budget	4.50% 2017 Budget
<b>Municipal Building Commission</b>						
Municip Building Commission Levy	\$4,285,000	\$4,430,000	\$4,623,000	\$4,832,000	\$5,059,000	\$5,305,000
Municip Building Commission Tax Revenue	\$4,199,295	\$4,341,400	\$4,530,781	\$4,735,468	\$4,957,487	\$5,199,169
MBC LGA Revenue	\$193,067	\$192,164	\$191,261	\$190,358	\$189,455	\$188,552
MBC Tax Revenue & LGA	\$4,392,362	\$4,533,564	\$4,722,042	\$4,925,826	\$5,146,942	\$5,387,721
LESS MBC's Transfer to City General Fund OH	(\$50,619)	(\$52,236)	(\$54,408)	(\$56,756)	(\$59,305)	(\$62,080)
MBC Activities Tax Revenue & LGA	\$4,341,743	\$4,481,328	\$4,667,634	\$4,869,070	\$5,087,637	\$5,325,641
MBC \$\$ Change	(\$1,635)	\$139,585	\$186,306	\$201,436	\$218,567	\$238,004
MBC % Change	-0.04%	3.21%	4.16%	4.32%	4.49%	4.68%
MBC Activities % Change After Cost ESC >>>	-2.06%	0.02%	0.00%	0.00%	0.00%	0.00%
<b>Park &amp; Recreation Board</b>						
Park Board Levy	\$47,217,000	\$49,050,000	\$47,217,000	\$47,217,000	\$47,217,000	\$47,217,000
Park Board Tax Revenue	\$46,272,605	\$48,069,000	\$46,272,605	\$46,272,605	\$46,272,605	\$46,272,605
Park Bd LGA Revenue	\$7,570,039	\$7,534,633	\$7,571,635	\$7,571,635	\$7,571,635	\$7,571,635
Park Board Tax Revenue & LGA	\$53,842,644	\$55,603,633	\$53,844,240	\$53,844,240	\$53,844,240	\$53,844,240
LESS Park Board's Transfer to City General Fund OH	(\$931,670)	(\$961,425)	(\$895,837)	(\$895,837)	(\$895,837)	(\$895,837)
LESS Park Board's Trfansfer to City General Admin Fee	(\$125,491)	(\$129,000)	(\$125,899)	(\$125,899)	(\$125,899)	(\$125,899)
LESS Park Board's Capital Projects from Levy	(\$4,865,867)	(\$5,075,000)	(\$4,902,888)	(\$4,902,888)	(\$4,902,888)	(\$4,902,888)
Park Board Activities Tax Revenue & LGA	\$47,919,616	\$49,438,208	\$47,919,616	\$47,919,616	\$47,919,616	\$47,919,616
Park Board Activities \$\$ Change	\$0	\$1,518,592	\$2,055,333	\$2,222,254	\$2,411,238	\$2,625,676
<b>Policy Decision by the Park Board</b>	Park Board Request \$0 Change for 2012					
Park Board Activities % Change	0.00%	3.17%	4.16%	4.32%	4.49%	4.68%
Park Board Activities % Change After Cost ESC >>>	-2.03%	-0.02%	0.00%	0.00%	0.00%	0.00%
<b>City General Fund</b>						
City Gfd Levy	\$176,374,000	\$175,142,000	\$177,530,000	\$179,894,000	\$190,078,000	\$200,946,000
City Gfd Tax Revenue	\$172,846,520	\$171,639,160	\$173,979,761	\$176,295,666	\$186,276,861	\$196,927,159
General Fund Revenues	\$145,949,134	\$147,685,654	\$150,588,408	\$152,698,253	\$154,926,021	\$157,284,084
City LGA Revenue	\$56,378,894	\$56,115,203	\$55,851,512	\$55,587,821	\$55,324,130	\$55,060,439
City General Fund Revenue	\$375,174,548	\$375,440,017	\$380,419,681	\$384,581,741	\$396,527,012	\$409,271,682
Less Payment to the Co for Library System non Tax \$\$	(\$4,982,000)	(\$4,106,000)	(\$3,238,000)	(\$2,363,000)	(\$1,560,000)	(\$780,000)
Less Gen Fd Revenue Transfer to BIS for WiFi	(\$484,444)	(\$491,260)	(\$498,077)	(\$504,893)	(\$482,444)	(\$462,661)
Less Revenue Transfer to Target Finance Plan	(\$92,000)	(\$550,000)	(\$550,000)	(\$550,000)	(\$550,000)	(\$550,000)
Less Revenue Transfer to Solid Waste Graffiti	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)
LESS General Fund ( Trf to Pen DS Sinking Fd )	(\$24,440,220)	(\$3,872,960)	(\$442,960)	(\$442,960)	(\$442,960)	(\$442,960)
LESS Gen Fd Trf to the Property Tax Stabilization Acct	\$0	\$0	(\$8,027,605)	(\$1,678,989)	(\$5,961,520)	(\$1,383,638)
LESS Gen Fd Trf to Internal Service Funds \$ in Total	(\$15,785,218)	(\$25,055,619)	(\$12,113,090)	(\$8,154,073)	na	na
LESS City Gfd OH Not Recovered from Park Bd	(\$833,820)	(\$860,450)	(\$896,230)	(\$934,917)	(\$976,895)	(\$1,022,608)
LESS City Gfd OH Not Recovered from MBC	(\$159,001)	(\$164,079)	(\$170,902)	(\$178,279)	(\$186,284)	(\$195,001)
LESS Other's Transfer to City General Fund OH	(\$20,397,131)	(\$21,048,553)	(\$21,923,818)	(\$22,870,190)	(\$23,897,069)	(\$25,015,302)
LESS City Gfd OH Not Recovered from Other's	(\$545,365)	(\$562,782)	(\$586,184)	(\$611,488)	(\$638,944)	(\$668,842)
LESS General fund one time \$\$ in 2012	(\$1,020,000)	na	na	na	na	na
City Gfd Activities	\$306,285,349	\$318,578,313	\$331,822,815	\$346,142,952	\$361,680,896	\$378,600,669
General Fund Activities \$\$ Change	\$9,407,506	\$12,292,964	\$13,244,502	\$14,320,137	\$15,537,944	\$16,919,773
General Fund Activities % Change	3.17%	4.01%	4.16%	4.32%	4.49%	4.68%
Gfd Activities % Change After Cost ESC >>>	1.14%	0.82%	0.00%	0.00%	0.00%	0.00%
<b>Policy Decisions Activities \$ Adjustments</b>						
PW Eng Desig \$ .49 M for planning 2012 Fwd	(\$490,000)					
FIRE \$ 1.1 M 2012 Fwd	(\$1,100,000)					
CPED \$ 2.5M 2013 FWD		(\$2,500,000)				
City Gfd Activities Excluding Policy Decisions	\$304,695,349	\$316,078,313				
Gfd Activities \$\$ Change After Cost ESC & Excluding Policy Decisions >>>	\$7,817,506	\$9,792,964				
Gfd Activities % Change BeforeCost ESC >>>	2.63%	3.20%				
Gfd Activities % Change After Cost ESC & Excluding Policy Decisions >>>	0.61%	0.00%				

2012 Property Tax Supported Budgets						
	2012 Council	2012 Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
			Other General City Revenues	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>						
<b><u>General Fund Commitments</u></b>						
Internal Service Funds Financial Plans	15.785	-	-	-	15.785	15.785
Transfers to BIS for WiFi from Gen Fd Depts	0.484	-	-	-	0.484	0.484
Graffiti Removal	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.092	-	-	-	0.092	0.092
Transfers for City Hall rent	0.697	-	-	-	0.697	0.697
Payment to County for Library System	4.982	-	-	4.982	-	4.982
Property tax stabilization account	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	24.440	-	-	-	24.440	24.440
<b>Total General Fund Commitments</b>	<b>46.630</b>	<b>-</b>	<b>-</b>	<b>4.982</b>	<b>41.648</b>	<b>46.630</b>
<b><u>General Fund Departments</u></b>						
Police	128.015	8.865	34.706	22.991	58.559	125.121
Fire	52.272	3.887	14.094	9.336	23.780	51.097
<b>Subtotal for Police &amp; Fire</b>	<b>180.287</b>	<b>12.753</b>	<b>48.799</b>	<b>32.328</b>	<b>82.338</b>	<b>176.218</b>
Assessor	4.196	0.063	1.204	0.798	2.031	4.095
Attorney	7.758	0.020	2.254	1.493	3.803	7.570
BIS	0.050	-	0.015	0.010	0.025	0.049
City Council & Clerk	8.028	0.050	2.324	1.539	3.921	7.834
City Coordinator Administration	1.519	-	0.442	0.293	0.746	1.482
311	2.962	-	0.863	0.571	1.456	2.890
911	7.297	-	2.125	1.408	3.586	7.119
Emergency Management	0.711	-	0.207	0.137	0.350	0.694
Civil Rights	2.153	-	0.627	0.415	1.058	2.101
Communications	2.161	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	3.557	1.452	0.613	0.406	1.034	3.505
Contingency	3.999	-	-	-	3.999	3.999
Finance	19.633	-	5.719	3.788	9.649	19.156
Health and Family	2.433	-	0.709	0.469	1.196	2.374
Human Resources	5.510	-	1.605	1.063	2.708	5.376
Intergovernmental Relations	1.405	-	0.409	0.271	0.691	1.371
Internal Audit	0.438	-	0.127	0.084	0.215	0.427
Mayor	1.548	-	0.451	0.299	0.761	1.510
Neighborhood & Community Relations	0.902	-	0.263	0.174	0.443	0.880
Public Works	46.084	14.774	9.120	6.041	15.388	45.323
Regulatory Services	30.257	34.982	-	-	-	34.982
<b>Subtotal for all other departments</b>	<b>152.599</b>	<b>55.271</b>	<b>29.077</b>	<b>19.262</b>	<b>53.059</b>	<b>156.669</b>
<b>Total General Fund Departments</b>	<b>332.887</b>	<b>68.024</b>	<b>77.876</b>	<b>51.590</b>	<b>135.398</b>	<b>332.887</b>
<b>Total General Fund</b>	<b>379.517</b>	<b>68.024</b>	<b>77.876</b>	<b>56.572</b>	<b>177.046</b>	<b>379.517</b>
<b><u>Other Property Tax-Supported Commitments</u></b>						
Capital - Permanent Improvement	0.980	-	-	-	0.980	0.980
Debt Service	18.375	-	-	-	18.375	18.375
<b>Subtotal</b>	<b>19.355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.355</b>	<b>19.355</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	19.660	-	-	-	19.660	19.660
<b>Total Property Tax Supported Commitments</b>	<b>418.532</b>	<b>68.024</b>	<b>77.876</b>	<b>56.572</b>	<b>216.061</b>	<b>418.532</b>

(Additional cuts needed)/Cushion for adverse circumstances 0.000

Total Property-Tax Supported Closed Fund Pension Costs	2011 Expense	2012 Expense	% change from 2010
		46.573	44.100



2013 Property Tax Supported Budgets										
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues	
						Other General City Revenues	Local Government Aid	Property Tax Revenue		
<b>General Fund</b>										
<b>General Fund Commitments</b>										
Internal Service Funds Financial Plans	15.785	9.270	-	25.055	-	-	-	25.055	25.055	
Transfers to BIS for WiFi from Gen Fd Depts	0.484	0.007	-	0.491	-	-	-	0.491	0.491	
Graffiti Removal	0.150	-	-	0.150	-	-	-	0.150	0.150	
Target Center Financial Plan	0.092	0.458	-	0.550	-	-	-	0.550	0.550	
Transfers for City Hall rent	0.697	0.022	-	0.719	-	-	-	0.719	0.719	
Payment to County for Library System	4.982	(0.876)	-	4.106	-	-	4.106	-	4.106	
Property tax stabilization account	-	-	-	-	-	-	-	-	-	
Pension Debt Service Mgmt Plan	24.440	(20.567)	-	3.873	-	-	-	3.873	3.873	
<b>Total General Fund Commitments</b>	<b>46.630</b>	<b>(11.686)</b>	<b>-</b>	<b>34.944</b>	<b>-</b>	<b>-</b>	<b>4.106</b>	<b>30.838</b>	<b>34.944</b>	
<b>General Fund Departments</b>										
Police	128.015	4.088	-	132.104	8.865	35.516	23.600	64.121	132.104	
Fire	52.272	1.669	-	53.942	3.887	14.425	9.585	26.044	53.942	
<b>Subtotal for Public Safety</b>	<b>180.287</b>	<b>5.758</b>	<b>-</b>	<b>186.045</b>	<b>12.753</b>	<b>49.942</b>	<b>33.186</b>	<b>90.165</b>	<b>186.045</b>	
Assessor	4.196	0.134	-	4.330	0.063	1.230	0.817	2.220	4.330	
Attorney	7.758	0.192	-	7.950	0.020	2.285	1.519	4.126	7.950	
BIS	0.050	0.002	-	0.052	-	0.015	0.010	0.027	0.052	
City Council & Clerk	8.028	0.196	-	8.224	0.050	2.356	1.565	4.253	8.224	
City Coordinator Administration	1.519	0.049	-	1.567	-	0.452	0.300	0.815	1.567	
311	2.962	0.224	-	3.185	-	0.918	0.610	1.657	3.185	
911	7.297	0.233	-	7.530	-	2.170	1.442	3.918	7.530	
Emergency Management	0.711	0.023	-	0.734	-	0.212	0.141	0.382	0.734	
Civil Rights	2.153	0.069	-	2.222	-	0.640	0.425	1.156	2.222	
Communications	2.161	(0.086)	-	2.075	3.930	(0.535)	(0.355)	(0.965)	2.075	
Community Planning & Economic Development (CPED)	3.557	2.597	-	6.153	1.452	1.355	0.900	2.446	6.153	
Contingency	3.999	(0.687)	-	3.312	-	-	-	3.312	3.312	
Finance	19.633	0.627	-	20.260	-	5.839	3.880	10.541	20.260	
Health and Family	2.433	0.078	-	2.511	-	0.724	0.481	1.306	2.511	
Human Resources	5.510	0.176	-	5.686	-	1.639	1.089	2.959	5.686	
Intergovernmental Relations	1.405	0.043	-	1.449	-	0.418	0.277	0.754	1.449	
Internal Audit	0.438	(0.048)	-	0.390	-	0.112	0.075	0.203	0.390	
Mayor	1.548	0.051	-	1.599	-	0.461	0.306	0.832	1.599	
Neighborhood & Community Relations	0.902	0.029	-	0.931	-	0.268	0.178	0.484	0.931	
Public Works	46.084	1.464	-	47.547	14.774	9.445	6.276	17.052	47.547	
Regulatory Services	30.257	0.966	-	31.224	36.031	(1.386)	(0.921)	(2.501)	31.224	
<b>Subtotal for all other departments</b>	<b>152.599</b>	<b>6.330</b>	<b>-</b>	<b>158.930</b>	<b>56.320</b>	<b>28.617</b>	<b>19.016</b>	<b>54.977</b>	<b>158.930</b>	
<b>Total General Fund Departments</b>	<b>332.887</b>	<b>12.088</b>	<b>-</b>	<b>344.975</b>	<b>69.073</b>	<b>78.559</b>	<b>52.201</b>	<b>145.142</b>	<b>344.975</b>	
<b>Total General Fund</b>	<b>379.517</b>	<b>0.402</b>	<b>-</b>	<b>379.919</b>	<b>69.073</b>	<b>78.559</b>	<b>56.307</b>	<b>175.980</b>	<b>379.919</b>	
<b>Other Property Tax-Supported Commitments</b>										
Capital - Permanent Improvement	0.980	-	-	0.980	-	-	-	0.980	0.980	
Debt Service	18.375	1.715	-	20.090	-	-	-	20.090	20.090	
<b>Subtotal</b>	<b>19.355</b>	<b>1.715</b>	<b>-</b>	<b>21.070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21.070</b>	<b>21.070</b>	
Pensions - Direct Levy for MPRA, MFRA and MERF	19.660	5.867	-	25.527	-	-	-	25.527	25.527	
<b>Total Property Tax Supported Commitments</b>	<b>418.532</b>	<b>7.985</b>	<b>-</b>	<b>426.516</b>	<b>69.073</b>	<b>78.559</b>	<b>56.307</b>	<b>222.577</b>	<b>426.516</b>	
Note: \$181,500 is devoted to recruitment activities in the Police department										
<b>Total Property-Tax Supported Closed Fund Pension Costs</b>	2012 Expense <b>44.100</b>	2013 Expense <b>29.400</b>	% change <b>-33.3%</b>	2012 Max 2013 Max (Additional cuts needed)/Cushion for adverse circumstances						216.061 222.578 0.000

2014 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
						Other General City Revenues	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>									
<b><i>General Fund Commitments</i></b>									
Internal Service Funds Financial Plans	25.055	(12.943)	-	12.113	-	-	-	12.113	12.113
Transfers to BIS for WiFi from Gen Fd Depts	0.491	0.007	-	0.498	-	-	-	0.498	0.498
Graffiti Removal	0.150	-	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550
Transfers for City Hall rent	0.719	0.030	-	0.749	-	-	-	0.749	0.749
Payment to County for Library System	4.106	(0.868)	-	3.238	-	-	3.238	-	3.238
Property tax stabilization account	-	6.700	-	6.700	-	-	-	6.700	6.700
Pension Debt Service Mgmt Plan	3.873	(3.430)	-	0.443	-	-	-	0.443	0.443
<b>Total General Fund Commitments</b>	<b>34.944</b>	<b>(10.504)</b>	<b>-</b>	<b>24.441</b>	<b>-</b>	<b>-</b>	<b>3.238</b>	<b>21.203</b>	<b>24.441</b>
<b><i>General Fund Departments</i></b>									
Police	132.104	5.493	-	137.597	8.865	36.214	23.792	68.726	137.597
Fire	53.942	2.243	-	56.185	3.887	14.712	9.665	27.920	56.185
<b><i>Subtotal for Public Safety</i></b>	<b>186.045</b>	<b>7.736</b>	<b>-</b>	<b>193.782</b>	<b>12.753</b>	<b>50.926</b>	<b>33.457</b>	<b>96.646</b>	<b>193.782</b>
Assessor	4.330	0.180	-	4.510	0.063	1.251	0.822	2.374	4.510
Attorney	7.950	0.331	-	8.281	0.020	2.324	1.527	4.410	8.281
BIS	0.052	0.002	-	0.054	-	0.015	0.010	0.029	0.054
City Council & Clerk	8.224	0.342	-	8.566	0.050	2.396	1.574	4.547	8.566
City Coordinator Administration	1.567	0.065	-	1.632	-	0.459	0.302	0.871	1.632
311	3.185	0.132	-	3.318	-	0.933	0.613	1.771	3.318
911	7.530	0.313	-	7.843	-	2.206	1.449	4.187	7.843
Emergency Management	0.734	0.031	-	0.764	-	0.215	0.141	0.408	0.764
Civil Rights	2.222	0.092	-	2.314	-	0.651	0.428	1.235	2.314
Communications	2.075	0.086	-	2.161	3.930	(0.498)	(0.327)	(0.944)	2.161
Community Planning & Economic Development (CPED)	6.153	0.256	-	6.409	1.452	1.395	0.916	2.647	6.409
Contingency	3.312	1.460	-	4.772	-	-	-	4.772	4.772
Finance	20.260	0.842	-	21.103	-	5.936	3.900	11.266	21.103
Health and Family	2.511	0.104	-	2.615	-	0.736	0.483	1.396	2.615
Human Resources	5.686	0.236	-	5.923	-	1.666	1.095	3.162	5.923
Intergovernmental Relations	1.449	0.060	-	1.509	-	0.425	0.279	0.806	1.509
Internal Audit	0.390	0.016	-	0.406	-	0.114	0.075	0.217	0.406
Mayor	1.599	0.066	-	1.665	-	0.468	0.308	0.889	1.665
Neighborhood & Community Relations	0.931	0.039	-	0.970	-	0.273	0.179	0.518	0.970
Public Works	47.547	1.977	-	49.525	14.774	9.776	6.422	18.552	49.525
Regulatory Services	31.224	1.298	-	32.522	37.112	(1.291)	(0.848)	(2.451)	32.522
<b><i>Subtotal for all other departments</i></b>	<b>158.930</b>	<b>7.931</b>	<b>-</b>	<b>166.861</b>	<b>57.401</b>	<b>29.450</b>	<b>19.348</b>	<b>60.662</b>	<b>166.861</b>
<b>Total General Fund Departments</b>	<b>344.975</b>	<b>15.667</b>	<b>-</b>	<b>360.642</b>	<b>70.154</b>	<b>80.376</b>	<b>52.805</b>	<b>157.307</b>	<b>360.642</b>
<b>Total General Fund</b>	<b>379.919</b>	<b>5.164</b>	<b>-</b>	<b>385.083</b>	<b>70.154</b>	<b>80.376</b>	<b>56.043</b>	<b>178.510</b>	<b>385.083</b>
<b><i>Other Property Tax-Supported Commitments</i></b>									
Capital - Permanent Improvement	0.980	0.049	-	1.029	-	-	-	1.029	1.029
Debt Service	20.090	6.370	-	26.460	-	-	-	26.460	26.460
<b><i>Subtotal</i></b>	<b>21.070</b>	<b>6.419</b>	<b>-</b>	<b>27.489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27.489</b>	<b>27.489</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	25.527	-	-	25.527	-	-	-	25.527	25.527
<b>Total Property Tax Supported Commitments</b>	<b>426.516</b>	<b>11.583</b>	<b>-</b>	<b>438.099</b>	<b>70.154</b>	<b>80.376</b>	<b>56.043</b>	<b>231.526</b>	<b>438.099</b>
<b>Total Property-Tax Supported Closed Fund Pension Costs</b>	<b>29.400</b>	<b>25.970</b>	<b>-11.7%</b>						
						2013 Max	222.578		
						2014 Max	231.527		
						(Additional cuts needed)/Cushion for adverse circumstances	0.000		

2015 Property Tax Supported Budgets																				
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues											
						Other General City Revenues	Local Government Aid	Property Tax Revenue												
<b>General Fund</b>																				
<b><u>General Fund Commitments</u></b>																				
Internal Service Funds Financial Plans	12.113	(3.959)	-	8.154	-	-	-	8.154	8.154											
Transfers to BIS for WiFi from Gen Fd Depts	0.498	0.007	-	0.505	-	-	-	0.505	0.505											
Graffiti Removal	0.150	-	-	0.150	-	-	-	0.150	0.150											
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550											
Transfers for City Hall rent	0.749	0.032	-	0.781	-	-	-	0.781	0.781											
Payment to County for Library System	3.238	(0.875)	-	2.363	-	-	2.363	-	2.363											
Property tax stabilization account	6.700	(5.739)	-	0.961	-	-	-	0.961	0.961											
Pension Debt Service Mgmt Plan	0.443	-	-	0.443	-	-	-	0.443	0.443											
<b>Total General Fund Commitments</b>	<b>24.441</b>	<b>(10.533)</b>	<b>-</b>	<b>13.907</b>	<b>-</b>	<b>-</b>	<b>2.363</b>	<b>11.544</b>	<b>13.907</b>											
<b><u>General Fund Departments</u></b>																				
Police	137.597	5.940	-	143.536	8.865	36.592	24.021	74.058	143.536											
Fire	56.185	2.425	-	58.610	3.887	14.869	9.761	30.093	58.610											
<b>Subtotal for Public Safety</b>	<b>193.782</b>	<b>8.365</b>	<b>-</b>	<b>202.146</b>	<b>12.753</b>	<b>51.461</b>	<b>33.782</b>	<b>104.151</b>	<b>202.146</b>											
Assessor	4.510	0.195	-	4.704	0.063	1.261	0.828	2.553	4.704											
Attorney	8.281	0.357	-	8.638	0.020	2.342	1.537	4.739	8.638											
BIS	0.054	0.002	-	0.056	-	0.015	0.010	0.031	0.056											
City Council & Clerk	8.566	(0.130)	-	8.436	0.050	2.279	1.496	4.612	8.436											
City Coordinator Administration	1.632	0.070	-	1.703	-	0.463	0.304	0.936	1.703											
311	3.318	0.143	-	3.461	-	0.940	0.617	1.903	3.461											
911	7.843	0.339	-	8.181	-	2.223	1.459	4.499	8.181											
Emergency Management	0.764	0.033	-	0.797	-	0.217	0.142	0.439	0.797											
Civil Rights	2.314	0.100	-	2.414	-	0.656	0.431	1.327	2.414											
Communications	2.161	0.093	-	2.255	3.930	(0.455)	(0.299)	(0.921)	2.255											
Community Planning & Economic Development (CPED)	6.409	0.277	-	6.686	1.452	1.422	0.934	2.878	6.686											
Contingency	4.772	0.034	-	4.806	-	-	-	4.806	4.806											
Finance	21.103	0.911	-	22.014	-	5.981	3.927	12.106	22.014											
Health and Family	2.615	0.113	-	2.728	-	0.741	0.487	1.500	2.728											
Human Resources	5.923	0.256	-	6.178	-	1.679	1.102	3.398	6.178											
Intergovernmental Relations	1.509	0.065	-	1.574	-	0.428	0.281	0.866	1.574											
Internal Audit	0.406	0.018	-	0.423	-	0.115	0.076	0.233	0.423											
Mayor	1.665	0.072	-	1.737	-	0.472	0.310	0.955	1.737											
Neighborhood & Community Relations	0.970	0.042	-	1.011	-	0.275	0.180	0.556	1.011											
Public Works	49.525	2.138	-	51.662	14.774	10.023	6.580	20.285	51.662											
Regulatory Services	32.522	1.404	-	33.926	38.226	(1.168)	(0.767)	(2.365)	33.926											
<b>Subtotal for all other departments</b>	<b>166.861</b>	<b>6.531</b>	<b>-</b>	<b>173.392</b>	<b>58.515</b>	<b>29.908</b>	<b>19.633</b>	<b>65.336</b>	<b>173.392</b>											
<b>Total General Fund Departments</b>	<b>360.642</b>	<b>14.896</b>	<b>-</b>	<b>375.538</b>	<b>71.267</b>	<b>81.368</b>	<b>53.415</b>	<b>169.487</b>	<b>375.538</b>											
<b>Total General Fund</b>	<b>385.083</b>	<b>4.362</b>	<b>-</b>	<b>389.445</b>	<b>71.267</b>	<b>81.368</b>	<b>55.778</b>	<b>181.032</b>	<b>389.445</b>											
<b><u>Other Property Tax-Supported Commitments</u></b>																				
Capital - Permanent Improvement	1.029	0.049	-	1.078	-	-	-	1.078	1.078											
Debt Service	26.460	6.860	-	33.320	-	-	-	33.320	33.320											
<b>Subtotal</b>	<b>27.489</b>	<b>6.909</b>	<b>-</b>	<b>34.398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34.398</b>	<b>34.398</b>											
Pensions - Direct Levy for MPRA, MFRA and MERF	25.527	-	-	25.527	-	-	-	25.527	25.527											
<b>Total Property Tax Supported Commitments</b>	<b>438.099</b>	<b>11.271</b>	<b>-</b>	<b>449.370</b>	<b>71.267</b>	<b>81.368</b>	<b>55.778</b>	<b>240.957</b>	<b>449.370</b>											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td rowspan="2" style="text-align: center;"><b>Total Property-Tax Supported Closed Fund Pension Costs</b></td> <td style="text-align: center;">2014 Expense</td> <td style="text-align: center;">2015 Expense</td> <td style="text-align: center;">% change</td> <td style="text-align: right;">2014 Max</td> <td style="text-align: right;">231.527</td> </tr> <tr> <td style="text-align: center;">25.970</td> <td style="text-align: center;">25.970</td> <td style="text-align: center;">0.0%</td> <td style="text-align: right;">2015 Max</td> <td style="text-align: right;">240.956</td> </tr> </table>										<b>Total Property-Tax Supported Closed Fund Pension Costs</b>	2014 Expense	2015 Expense	% change	2014 Max	231.527	25.970	25.970	0.0%	2015 Max	240.956
<b>Total Property-Tax Supported Closed Fund Pension Costs</b>	2014 Expense	2015 Expense	% change	2014 Max	231.527															
	25.970	25.970	0.0%	2015 Max	240.956															
(Additional cuts needed)/Cushion for adverse circumstances (0.000)																				

2016 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
						Other General City Revenues	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>									
<b><u>General Fund Commitments</u></b>									
Internal Service Funds Financial Plans	8.154	(8.154)	-	-	-	-	-	-	-
Transfers to BIS for WiFi from Gen Fd Depts	0.505	(0.022)	-	0.482	-	-	-	0.482	0.482
Graffiti Removal	0.150	-	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550
Transfers for City Hall rent	0.781	0.035	-	0.816	-	-	-	0.816	0.816
Payment to County for Library System	2.363	(0.803)	-	1.560	-	-	1.560	-	1.560
Property tax stabilization account	0.961	4.007	-	4.969	-	-	-	4.969	4.969
Pension Debt Service Mgmt Plan	0.443	-	-	0.443	-	-	-	0.443	0.443
<b>Total General Fund Commitments</b>	<b>13.907</b>	<b>(4.937)</b>	<b>-</b>	<b>8.970</b>	<b>-</b>	<b>-</b>	<b>1.560</b>	<b>7.410</b>	<b>8.970</b>
<b><u>General Fund Departments</u></b>									
Police	143.536	6.445	-	149.981	8.865	36.891	24.143	80.082	149.981
Fire	58.610	2.632	-	61.242	3.887	14.994	9.812	32.548	61.242
<b>Subtotal for Public Safety</b>	<b>202.146</b>	<b>9.076</b>	<b>-</b>	<b>211.223</b>	<b>12.753</b>	<b>51.885</b>	<b>33.955</b>	<b>112.630</b>	<b>211.223</b>
Assessor	4.704	0.211	-	4.916	0.063	1.269	0.830	2.754	4.916
Attorney	8.638	0.388	-	9.026	0.020	2.354	1.541	5.111	9.026
BIS	0.056	0.003	-	0.059	-	0.015	0.010	0.033	0.059
City Council & Clerk	8.436	0.779	-	9.215	0.050	2.396	1.568	5.201	9.215
City Coordinator Administration	1.703	0.076	-	1.779	-	0.465	0.304	1.010	1.779
311	3.461	0.155	-	3.616	-	0.945	0.619	2.052	3.616
911	8.181	0.367	-	8.549	-	2.235	1.463	4.851	8.549
Emergency Management	0.797	0.036	-	0.833	-	0.218	0.143	0.473	0.833
Civil Rights	2.414	0.108	-	2.522	-	0.659	0.432	1.431	2.522
Communications	2.255	0.101	-	2.356	3.930	(0.412)	(0.269)	(0.893)	2.356
Community Planning & Economic Development (CPED)	6.686	0.300	-	6.986	1.452	1.447	0.947	3.141	6.986
Contingency	4.806	0.052	-	4.858	-	-	-	4.858	4.858
Finance	22.014	0.988	-	23.002	-	6.013	3.935	13.053	23.002
Health and Family	2.728	0.122	-	2.850	-	0.745	0.488	1.618	2.850
Human Resources	6.178	0.277	-	6.456	-	1.688	1.104	3.664	6.456
Intergovernmental Relations	1.574	0.071	-	1.645	-	0.430	0.281	0.933	1.645
Internal Audit	0.423	0.019	-	0.442	-	0.116	0.076	0.251	0.442
Mayor	1.737	0.078	-	1.815	-	0.474	0.311	1.030	1.815
Neighborhood & Community Relations	1.011	0.045	-	1.057	-	0.276	0.181	0.600	1.057
Public Works	51.662	2.320	-	53.982	14.774	10.250	6.708	22.250	53.982
Regulatory Services	33.926	1.523	-	35.449	39.373	(1.026)	(0.671)	(2.226)	35.449
<b>Subtotal for all other departments</b>	<b>173.392</b>	<b>8.022</b>	<b>-</b>	<b>181.413</b>	<b>59.661</b>	<b>30.559</b>	<b>19.999</b>	<b>71.194</b>	<b>181.413</b>
<b>Total General Fund Departments</b>	<b>375.538</b>	<b>17.098</b>	<b>-</b>	<b>392.636</b>	<b>72.414</b>	<b>82.445</b>	<b>53.954</b>	<b>183.824</b>	<b>392.636</b>
<b>Total General Fund</b>	<b>389.445</b>	<b>12.161</b>	<b>-</b>	<b>401.606</b>	<b>72.414</b>	<b>82.445</b>	<b>55.514</b>	<b>191.234</b>	<b>401.606</b>
<b><u>Other Property Tax-Supported Commitments</u></b>									
Capital - Permanent Improvement	1.078	0.049	-	1.127	-	-	-	1.127	1.127
Debt Service	33.320	0.980	-	34.300	-	-	-	34.300	34.300
<b>Subtotal</b>	<b>34.398</b>	<b>1.029</b>	<b>-</b>	<b>35.427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.427</b>	<b>35.427</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	25.527	-	-	25.527	-	-	-	25.527	25.527
<b>Total Property Tax Supported Commitments</b>	<b>449.370</b>	<b>13.190</b>	<b>-</b>	<b>462.560</b>	<b>72.414</b>	<b>82.445</b>	<b>55.514</b>	<b>252.188</b>	<b>462.560</b>
<b>Total Property-Tax Supported</b>						2015 Max	240.956		
<b>Closed Fund Pension Costs</b>						2016 Max	252.188		
						(Additional cuts needed)/Cushion for adverse circumstances	0.000		

2017 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
						Other General City Revenues	Local Government Aid	Property Tax Revenue	
<b>General Fund</b>									
<b><u>General Fund Commitments</u></b>									
Internal Service Funds Financial Plans	-	-	-	-	-	-	-	-	-
Transfers to BIS for WiFi from Gen Fd Depts	0.482	(0.020)	-	0.463	-	-	-	0.463	0.463
Graffiti Removal	0.150	-	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.550	-	-	0.550	-	-	-	0.550	0.550
Transfers for City Hall rent	0.816	0.038	-	0.854	-	-	-	0.854	0.854
Payment to County for Library System	1.560	(0.780)	-	0.780	-	-	0.780	-	0.780
Property tax stabilization account	4.969	(4.664)	-	0.304	-	-	-	0.304	0.304
Pension Debt Service Mgmt Plan	0.443	-	-	0.443	-	-	-	0.443	0.443
<b>Total General Fund Commitments</b>	<b>8.970</b>	<b>(5.426)</b>	<b>-</b>	<b>3.544</b>	<b>-</b>	<b>-</b>	<b>0.780</b>	<b>2.764</b>	<b>3.544</b>
<b><u>General Fund Departments</u></b>									
Police	149.981	7.018	-	156.999	8.865	36.706	23.911	87.517	156.999
Fire	61.242	2.866	-	64.107	3.887	14.922	9.720	35.578	64.107
<b>Subtotal for Public Safety</b>	<b>211.223</b>	<b>9.884</b>	<b>-</b>	<b>221.107</b>	<b>12.753</b>	<b>51.628</b>	<b>33.631</b>	<b>123.094</b>	<b>221.107</b>
Assessor	4.916	0.230	-	5.146	0.063	1.260	0.820	3.003	5.146
Attorney	9.026	0.422	-	9.448	0.020	2.336	1.522	5.570	9.448
BIS	0.059	0.003	-	0.061	-	0.015	0.010	0.036	0.061
City Council & Clerk	9.215	0.531	-	9.746	0.050	2.403	1.565	5.728	9.746
City Coordinator Administration	1.779	0.083	-	1.863	-	0.462	0.301	1.100	1.863
311	3.616	0.169	-	3.785	-	0.938	0.611	2.236	3.785
911	8.549	0.400	-	8.949	-	2.217	1.444	5.287	8.949
Emergency Management	0.833	0.039	-	0.872	-	0.216	0.141	0.515	0.872
Civil Rights	2.522	0.118	-	2.640	-	0.654	0.426	1.560	2.640
Communications	2.356	0.110	-	2.466	3.930	(0.363)	(0.236)	(0.865)	2.466
Community Planning & Economic Development (CPED)	6.986	0.327	-	7.313	1.452	1.452	0.946	3.463	7.313
Contingency	4.858	0.161	-	5.019	-	1.244	0.810	2.965	5.019
Finance	23.002	1.076	-	24.078	-	5.966	3.887	14.225	24.078
Health and Family	2.850	0.133	-	2.984	-	0.739	0.482	1.763	2.984
Human Resources	6.456	0.302	-	6.758	-	1.675	1.091	3.993	6.758
Intergovernmental Relations	1.645	0.077	-	1.722	-	0.427	0.278	1.017	1.722
Internal Audit	0.442	0.021	-	0.463	-	0.115	0.075	0.274	0.463
Mayor	1.815	0.085	-	1.900	-	0.471	0.307	1.122	1.900
Neighborhood & Community Relations	1.057	0.049	-	1.106	-	0.274	0.179	0.654	1.106
Public Works	53.982	2.526	-	56.508	14.774	10.341	6.736	24.656	56.508
Regulatory Services	35.449	1.659	-	37.108	40.554	(0.854)	(0.556)	(2.036)	37.108
<b>Subtotal for all other departments</b>	<b>181.413</b>	<b>8.523</b>	<b>-</b>	<b>189.936</b>	<b>60.843</b>	<b>31.988</b>	<b>20.838</b>	<b>76.268</b>	<b>189.936</b>
<b>Total General Fund Departments</b>	<b>392.636</b>	<b>18.407</b>	<b>-</b>	<b>411.043</b>	<b>73.595</b>	<b>83.617</b>	<b>54.469</b>	<b>199.362</b>	<b>411.043</b>
<b>Total General Fund</b>	<b>401.606</b>	<b>12.981</b>	<b>-</b>	<b>414.587</b>	<b>73.595</b>	<b>83.617</b>	<b>55.249</b>	<b>202.126</b>	<b>414.587</b>
<b><u>Other Property Tax-Supported Commitments</u></b>									
Capital - Permanent Improvement	1.127	0.049	-	1.176	-	-	-	1.176	1.176
Debt Service	34.300	0.490	-	34.790	-	-	-	34.790	34.790
<b>Subtotal</b>	<b>35.427</b>	<b>0.539</b>	<b>-</b>	<b>35.966</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.966</b>	<b>35.966</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	25.527	-	-	25.527	-	-	-	25.527	25.527
<b>Total Property Tax Supported Commitments</b>	<b>462.560</b>	<b>13.520</b>	<b>-</b>	<b>476.080</b>	<b>73.595</b>	<b>83.617</b>	<b>55.249</b>	<b>263.619</b>	<b>476.080</b>
						2016 Max	252.188		
						2017 Max	263.619		
<b>Total Property-Tax Supported Closed Fund Pension Costs</b>							0.000		
						(Additional cuts needed)/Cushion for adverse circumstances			
						2016 Expense	2017 Expense	% change	
						25.970	25.970	0.0%	

Five-Year Summary of Property Tax Supported Budgets										
					Allocated Revenues for Presentation Purposes <i>These revenues are reported at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>					
	2012 Expense	5-Year Projected Growth in Spending	5-Year Reduction in Growth in Spending	2017 Expense	Avg Annual % Incr over 5-yr period	2017 Direct Revenue	2017 General City Revenues (Non-Direct)	2017 Local Government Aid	2017 Property Tax Revenue	2017 Total Revenues
<b>General Fund</b>										
<b>General Fund Commitments</b>										
Internal Service Funds Financial Plans	15.785	(15.785)	-	-	-100.0%	-	-	-	-	-
Transfers to BIS for WIFI from Gen Fd Depts	0.484	(0.022)	-	0.463	-4.5%	-	-	-	0.463	0.463
Graffiti Removal	0.150	-	-	0.150	0.0%	-	-	-	0.150	0.150
Target Center Financial Plan	0.092	0.458	-	0.550	497.8%	-	-	-	0.550	0.550
Transfers for City Hall rent	0.697	0.158	-	0.854	85.4%	-	-	-	0.854	0.854
Payment to County for Library System	4.982	(4.202)	-	0.780	-84.3%	-	-	0.780	-	0.780
Property tax stabilization account	-	0.304	-	0.304	-	-	-	-	0.304	0.304
Pension Debt Service Mgmt Plan	24.440	(23.997)	-	0.443	-98.2%	-	-	-	0.443	0.443
<b>Total General Fund Commitments</b>	<b>46.630</b>	<b>(43.086)</b>	<b>-</b>	<b>3.544</b>	<b>-92.4%</b>	<b>-</b>	<b>-</b>	<b>0.780</b>	<b>2.764</b>	<b>3.544</b>
<b>General Fund Activities</b>										
Police	128.015	28.984	-	156.999	22.6%	8.865	36.706	23.911	87.517	156.999
Fire	52.272	11.835	-	64.107	22.6%	3.887	14.922	9.720	35.578	64.107
<b>Subtotal for Public Safety</b>	<b>180.287</b>	<b>40.819</b>	<b>-</b>	<b>221.107</b>	<b>22.6%</b>	<b>12.753</b>	<b>51.628</b>	<b>33.631</b>	<b>123.094</b>	<b>221.107</b>
Assessor	4.196	0.950	-	5.146	22.6%	0.063	1.260	0.820	3.003	5.146
Attorney	7.758	1.690	-	9.448	21.8%	0.020	2.336	1.522	5.570	9.448
BIS	0.050	0.011	-	0.061	0.0%	-	0.015	0.010	0.036	0.061
City Council & Clerk	8.028	1.718	-	9.746	21.4%	0.050	2.403	1.565	5.728	9.746
City Coordinator Administration	1.519	0.344	-	1.863	22.6%	-	0.462	0.301	1.100	1.863
311	2.962	0.824	-	3.785	27.8%	-	0.938	0.611	2.236	3.785
911	7.297	1.652	-	8.949	22.6%	-	2.217	1.444	5.287	8.949
Emergency Management	0.711	0.161	-	0.872	22.6%	-	0.216	0.141	0.515	0.872
Civil Rights	2.153	0.487	-	2.640	22.6%	-	0.654	0.426	1.560	2.640
Communications	2.161	0.305	-	2.466	14.1%	3.930	(0.363)	(0.236)	(0.865)	2.466
Community Planning & Economic Development (CPED)	3.557	3.756	-	7.313	105.6%	1.452	1.452	0.946	3.463	7.313
Contingency	3.999	1.020	-	5.019	25.5%	-	1.244	0.810	2.965	5.019
Finance	19.633	4.445	-	24.078	22.6%	-	5.966	3.887	14.225	24.078
Health and Family	2.433	0.551	-	2.984	22.6%	-	0.739	0.482	1.763	2.984
Human Resources	5.510	1.248	-	6.758	22.6%	-	1.675	1.091	3.993	6.758
Intergovernmental Relations	1.405	0.316	-	1.722	22.5%	-	0.427	0.278	1.017	1.722
Internal Audit	0.438	0.026	-	0.463	5.8%	-	0.115	0.075	0.274	0.463
Mayor	1.548	0.352	-	1.900	22.8%	-	0.471	0.307	1.122	1.900
Neighborhood & Community Relations	0.902	0.204	-	1.106	22.6%	-	0.274	0.179	0.654	1.106
Public Works	46.084	10.424	-	56.508	22.6%	14.774	10.341	6.736	24.656	56.508
Regulatory Services	30.257	6.851	-	37.108	22.6%	40.554	(0.854)	(0.556)	(2.036)	37.108
<b>Subtotal for all other departments</b>	<b>152.599</b>	<b>37.336</b>	<b>-</b>	<b>189.936</b>	<b>24.5%</b>	<b>60.843</b>	<b>31.988</b>	<b>20.838</b>	<b>76.268</b>	<b>189.936</b>
<b>Total General Fund Activities</b>	<b>332.887</b>	<b>78.156</b>	<b>-</b>	<b>411.043</b>	<b>47.1%</b>	<b>73.595</b>	<b>83.617</b>	<b>54.469</b>	<b>199.362</b>	<b>411.043</b>
<b>Total General Fund</b>	<b>379.517</b>	<b>35.070</b>	<b>-</b>	<b>414.587</b>	<b>9.2%</b>	<b>73.595</b>	<b>83.617</b>	<b>55.249</b>	<b>202.126</b>	<b>414.587</b>
<b>Other Property Tax-Supported Commitments</b>										
Capital - Permanent Improvement	0.980	0.196	-	1.176	20.0%	-	-	-	1.176	1.176
Debt Service	18.375	16.415	-	34.790	89.3%	-	-	-	34.790	34.790
<b>Subtotal</b>	<b>19.355</b>	<b>16.611</b>	<b>-</b>	<b>35.966</b>	<b>109.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.966</b>	<b>35.966</b>
Pensions - Direct Levy for MPRA, MFRA and MERF	19.660	5.867	-	25.527	29.8%	-	-	-	25.527	25.527
<b>Total Property Tax Supported Commitments</b>	<b>418.532</b>	<b>57.548</b>	<b>-</b>	<b>476.080</b>	<b>13.7%</b>	<b>73.595</b>	<b>83.617</b>	<b>55.249</b>	<b>263.619</b>	<b>476.080</b>
									2012 Max	216.061
									2017 Max	263.619
									(Additional cuts needed)/Cushion for adverse circumstances	0.000

# City of Minneapolis 2012 Budget

## Ten-Year Projection of Demands on the Property Tax

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### **Background**

The ten-year projection was first produced in the spring of 2002 to surface all the demands on the property tax to which the City had committed. This projection led to adoption of the 8% maximum property tax policy in the summer of 2002 by both the City Council and the Board of Estimate and Taxation. In January 2003, the City Council and Mayor adopted a five-year financial direction to set resource parameters for department business plans. This policy was amended in 2010 to fund shared costs and provide consistent levels of operating resources for the City and independent boards. Projections now serve as a general guidance for departmental resource planning as the City adopted priority budgeting.

### **Assumptions in the Ten-Year Projection**

For details on the financial outlook for the City, please refer to the schedule of projected demands on the property tax:

- Included in the projections is a property tax stabilization account that, starting in 2014, smoothes property tax levy increases and decreases to provide a more stable percent change from year to year.

### **General Fund Operations Assumptions**

- A 0% wage increase for unsettled contracts in 2011-2012 and a 0% wage increase in 2012-2013 for settled contracts. The salary assumption is 2% in 2013 for unsettled contracts and 2% for settled contracts in 2014 and a 2.5% wage increase thereafter.
- Annual increases in health insurance premiums of 4% in 2012, 12% in 2013 and 16% thereafter.
- Non-personnel increases are assumed to be 3.5% each year.
- No increase in departmental and citywide revenue (except for regulatory services revenues which are expected to increase by 3%). Please see the discussion in the 2013-2017 five-year financial direction, earlier under this same tab, for more information by department. Internal Service Funds financial plans are phased out at an accelerated schedule. The final transfer is scheduled for 2015 as compared to 2018 in the 2011 Adopted schedule.
- Commitments for the library are included in the general fund. In 2010 and beyond, the property tax levy for operations are included in the Hennepin County levy.

### **Capital and Debt Assumptions**

- The bond redemption levy supports the net debt bond capital program. The level shown in the out years reflect the capacity provided in the 2012-2016 capital budget.
- The Net Debt Bond (NDB) program is paid for with property tax collections. The five-year financial direction for the bond redemption levy included increases in 2014 and significant increases in 2015 and beyond for capital improvements. These increases are possible because as the demand for property tax resources for the internal service fund financial plans are reduced, the bond redemption levy is increased. In order to expedite capital improvements in 2012 and 2013, the City will extend debt maturities slightly longer than current practice for new issuances until the higher bond redemption levies are realized. This plan also includes an increase in base levies of approximately \$4 million starting in 2014 versus the previous long-term financial plan to pay for the higher capital level. These

property tax supported net debt bonds help to leverage many funding sources in the five-year plan.

***Independent Boards and Special Levies Assumptions***

- Park Board, Municipal Building Commission, Public Housing Authority and the Board of Estimate and Taxation all receive the same percentage increase to operating resources as the City (please see the financial overview and financial policies for more information.)
- Includes no Public Housing Authority levy in the future and the PILOT payment will be eliminated.
- Pension obligations are funded in each year of the projection. Projections include the assumption the MPRA and MFRA plans will be consolidated into the statewide Public Employees Retirement Association (PERA) plan.



**City of Minneapolis - Details of Annual Demand (increases) in Property Tax Revenue**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund Less Pension Mgmt Plan</b>											
<b>Subtotal</b>	\$4.5	\$9.9	(\$4.7)	(\$1.4)	\$2.8	\$10.9	\$14.6	\$15.2	\$17.1	\$19.3	\$10.9
<b>City Capital/Debt</b>											
Permanent Imp Fund	\$0.2	(\$0.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Bond Redemption Fund	\$2.3	\$0.2	\$1.7	\$6.4	\$6.9	\$1.0	\$0.5	\$0.5	\$0.5	\$0.5	(\$3.4)
<b>Subtotal</b>	\$2.5	(\$0.6)	\$1.7	\$6.4	\$6.9	\$1.0	\$0.5	\$0.5	\$0.5	\$0.5	(\$3.4)
<b>City Totals Less Trf Pension Mgmt Plan</b>	\$7.1	\$9.3	(\$3.0)	\$5.0	\$9.7	\$11.9	\$15.1	\$15.8	\$17.6	\$19.8	\$7.5
<b>Independent Boards</b>											
Board of Estimate & Taxation	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Library Referendum Levy	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Park & Recreation Board	\$2.6	\$0.0	\$1.8	\$2.5	\$2.4	\$2.8	\$3.0	\$3.3	\$3.6	\$3.0	\$4.0
Municipal Bldg Commission	(\$0.0)	\$0.0	\$0.1	\$0.2	\$0.2	\$0.2	\$0.2	\$0.3	\$0.3	\$0.2	\$0.3
Mpls Public Housing Authority	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Teachers Retirement Assoc	\$0.0	\$0.2	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Subtotal</b>	\$2.4	\$0.2	\$1.8	\$2.8	\$2.6	\$3.0	\$3.2	\$3.5	\$3.9	\$3.2	\$4.3
<b>Pension Mangement Plan</b>											
<b>Subtotal</b>	\$11.4	(\$9.3)	\$11.2	\$6.3	\$2.0	\$1.8	(\$0.8)	\$0.9	\$3.4	\$2.4	\$20.0
Incremental Tax Revenue	\$18.5	\$0.0	\$8.2	\$11.3	\$11.7	\$13.7	\$14.4	\$16.7	\$21.0	\$22.3	\$27.5
<b>Total Property Tax Revenue</b>	<b>\$274.0</b>	<b>\$274.0</b>	<b>\$282.2</b>	<b>\$293.5</b>	<b>\$305.3</b>	<b>\$319.0</b>	<b>\$333.4</b>	<b>\$350.0</b>	<b>\$371.0</b>	<b>\$393.3</b>	<b>\$420.8</b>
<b>% Change</b>	<b>7.2%</b>	<b>0.0%</b>	<b>3.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>5.0%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>7.0%</b>
<b>Property Tax Stabilization Account</b>		\$0.0	\$0.0	(\$6.7)	(\$1.0)	(\$5.0)	(\$0.3)	\$3.6	\$6.2	\$3.1	\$0.0

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Convention Center Special Revenue Fund**

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**Background**

The Convention Center special revenue fund accounts for the maintenance and operation of the City-owned Convention Center and the related sales tax activities. The Convention Center was created to foster and generate economic growth and vitality by providing facilities and services for conventions, trade shows, exhibits, meetings, cultural, religious, and sporting events - all of which benefit and showcase the City, the metropolitan region, and the State of Minnesota. The fund also supports an operating transfer to Meet Minneapolis, an independent, non-profit organization contracted by the City of Minneapolis to market Minneapolis and the Twin Cities as a convention and tourist destination.

**Historical Financial Performance**

The fiscal year-end 2010 fund balance for the Convention Center Special Revenue Fund was \$40.0 million, a decrease of \$8.6 million from 2009. The 2010 decrease in fund balance can be largely attributed to increased ongoing equipment and improvement expense and transfers to debt service and to the Parking Fund. Local sales taxes (outlined in the table below) support the Convention Center with approximately \$61.4 million collected in 2010. The increase was due largely to the 2010 opening of the Twins Ballpark (Target Field) and to a lesser extent the improved economic condition from 2009. The 2010 local tax revenue increased \$6.4 million from 2009. The entertainment tax saw the largest increase from the 2010 opening of Target Field with a \$4.1 million increase over 2009. Approximately \$19 million was transferred to debt service in 2010 to cover the cost of the building debt, and \$11.5 million was transferred to the parking fund to cover costs for Convention Center related parking ramps; an increase of \$3.9 million and \$1.6 million respectively over the 2009 transfer.

Comparative amounts collected:

<u>Local Sales Taxes (in millions)</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
0.5% Citywide Sales tax	\$29.5	\$26.5	\$27.3
3.0% Entertainment Tax	\$9.6	\$9.1	\$13.2
3.0% Downtown Restaurant Tax	\$10.8	\$9.9	\$10.5
3.0% Downtown Liquor Tax	\$3.9	\$3.8	\$4.6
3.0% Lodging Tax *	\$6.6	\$5.7	\$5.8
<b>Total Tax Collection</b>	<b>\$60.4</b>	<b>\$55.0</b>	<b>\$61.4</b>

\* Lodging Tax was reduced to 2.625% effective 07/01/2009

The City deposits all of its local tax proceeds (*i.e.*, sales, entertainment, food, liquor, and lodging) in the Convention Center Special Revenue Fund. All the tax proceeds, with the exception of the entertainment tax, are Convention Center related and are used primarily to fund the debt related to the construction of the Convention Center and related facilities, as well as to fund the operations, marketing and capital improvements.

The entertainment tax, established in 1969, is a revenue source for the general fund to offset additional public safety costs associated with City-wide entertainment activities. A portion of the tax (\$706,000 in 2010) was redirected to the Arena Reserve Fund to fully credit the fund for entertainment tax proceeds generated from Target Center activities as required by the Target Center arena finance plan. The entertainment tax is reconciled at the end of the year to the actual entertainment tax the Target Center received. The entertainment tax is deposited into the Convention Center Special Revenue Fund because it is pledged to debt service on outstanding Convention Center bonds in the event other revenue sources pledged to meet Convention Center debt service are insufficient.

With the new state sales tax increase of 0.375% effective July 1, 2009 the lodging tax was reduced from 3% to 2.625%. The law provides that when the general sales tax rate is combined with any other taxes on lodging within the City of Minneapolis, the total tax amount may not exceed 13%.

Funds are transferred annually to the Convention Center reserve fund for major repair or significant improvements to the Convention Center facility. Due to the age of the building and to effectively compete, it is anticipated that the amount of this transfer will increase in future years as the Convention Center implements competitive capital projects. In 2010, a net transfer of \$150,000 was made to the reserve fund bringing the balance to \$6.1 million.

Operating revenues are generated directly from the Convention Center operating activities. Exhibit space rental is the largest source of revenue for the Convention Center. Also included in operating revenues are equipment and space rental of the Tallmadge Building. Charges for services are earned in support of space rent and consist primarily of utility and labor services and ramp parking. Commission sales from food and beverage account for the other miscellaneous operating revenue.

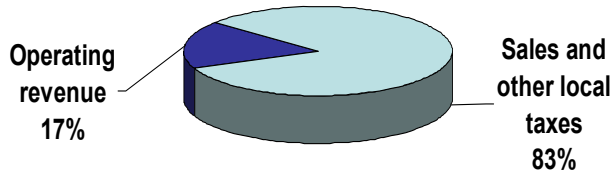
In 2010, total operating revenue was \$12.9 million, which was \$500,000 lower than 2009 and \$1.9 million lower than the 2009 budget.

## **2012 Budget**

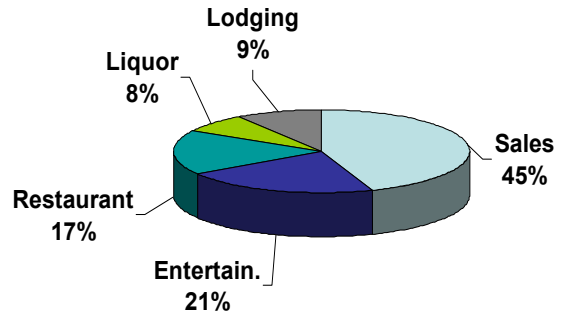
### *Revenues*

The 2012 revenues for the Convention Center have been adjusted to reflect the actual historical receipts and anticipated event activity. Total operating revenue for 2012 is expected to be \$14.1 million which is a slight decrease of 0.3% from 2011 projected. The Convention Center continues to discount rents heavily to be competitive and operational changes made in the beginning of 2011 are starting to see results, particularly in charges for services and equipment. Meet Minneapolis sales and marketing initiatives include a rebranding of the City and continued efforts of bringing local business into the Convention Center via the "Meet in Minneapolis" campaign. The convention and meeting industry continues to face significant challenges in controlling costs as centers discount heavily to remain competitive.

### Convention Center Revenues



### Sales and Other Taxes



Convention Center Special Revenue Fund Predicted Revenue Growth	
Tax Type	Current Growth Assumption 2012-2015
0.5% Sales	2.9% 2012, 2.5% 2013-2015
3.0% Entertainment Tax	2.9% 2012, 3.0% 2013-2015
2.625% Lodging Tax	3.0% 2012, 3.0% 2013-2015
3.0% Other Tax	2.9% 2012, 3.0% 2013-2015

Note: the growth assumption percentages above reflected to anticipated change from the 2011 adopted budget

From 2011 projected, sales tax revenue is expected to increase 3% in 2012, 3.2% for entertainment, 5.7% for restaurant, and 3.8% for lodging. Entertainment, lodging, and restaurant taxes are expected to increase 3% annually from 2013-2015, and sales tax is expected to increase 2.5% over the same period. A \$1.5 million entertainment tax increase (offset by a corresponding increase to the transfer to the General Fund) was factored into the budget beginning in 2010 with the opening of the new Target Field to fund public safety services. This estimate was increased by \$300,000 to \$1.8 in 2011 based on actual receipts.

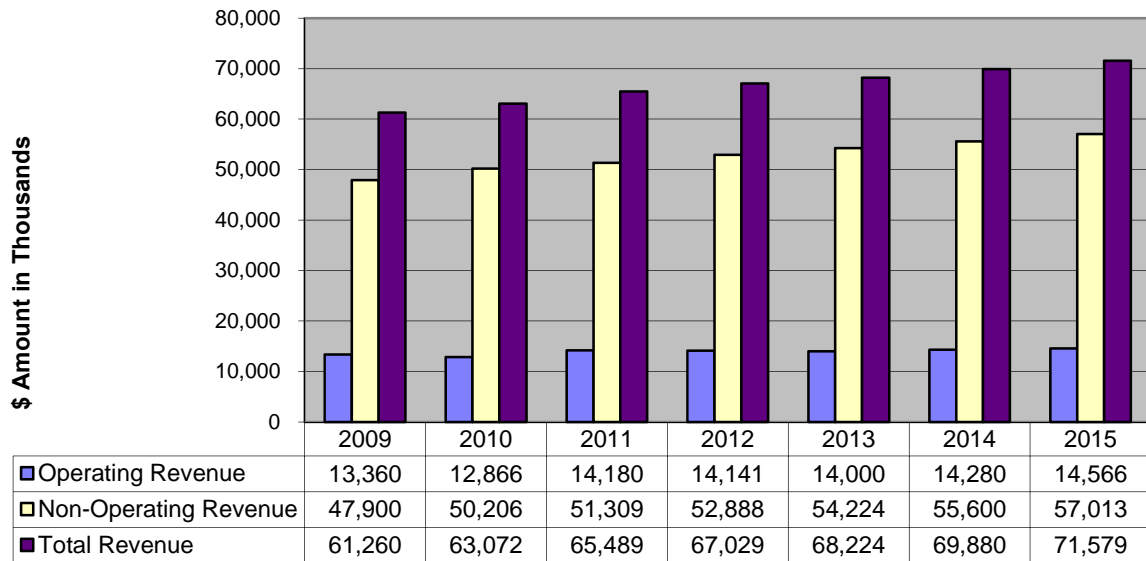
The 2012 operating revenue and expenses excluding ongoing equipment/improvement and projected revenue are \$14.1 million and \$26 million respectively, resulting in a \$11.8 million operating subsidy; a reduction of \$600,000 from the 2011 projections.

#### Expenditures

In 2012, the Convention Center operating expenditure budget excluding ongoing equipment/improvement is anticipated to decrease by nearly \$700,000 from the 2011 projected. The Convention Center was able to capture expense savings through a number of cost containment measures.

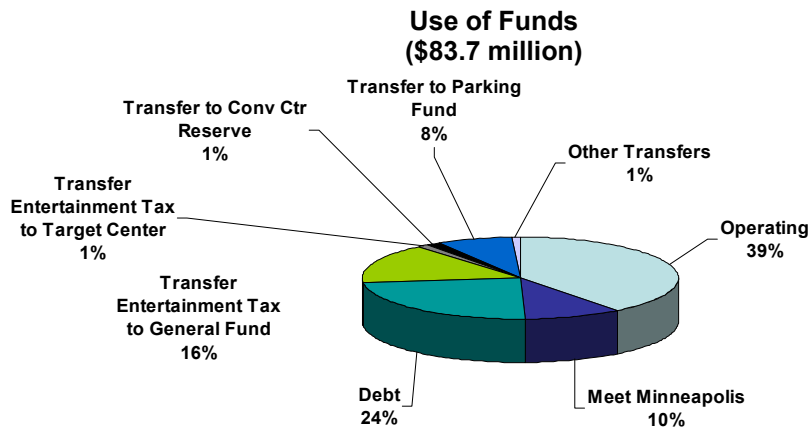
- Reduction of energy consumption
- Reprioritizing capital expenditures
- Identifying and implementing more efficient operations
- Realignment of the Convention Center workforce
- Managing overtime

## Convention Center Fund - Revenue



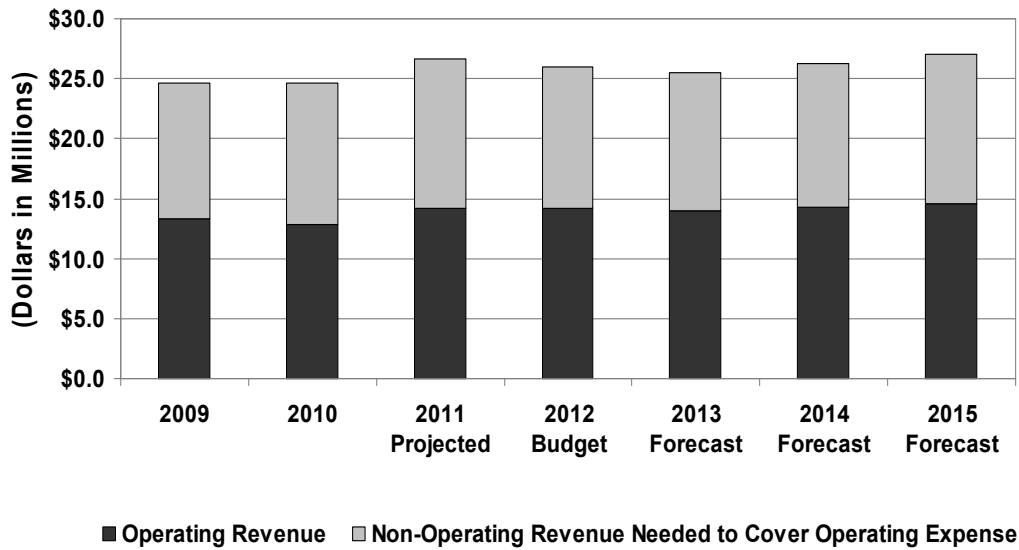
In 2004, Meet Minneapolis, the primary sales and booking agent of the Convention Center, entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were rolled together and a promissory note was issued for \$5 million. In April of 2006, the City entered into a 3<sup>rd</sup> loan agreement of \$5 million for additional iDSS start-up capital. The three loans were consolidated for a total of \$10 million.

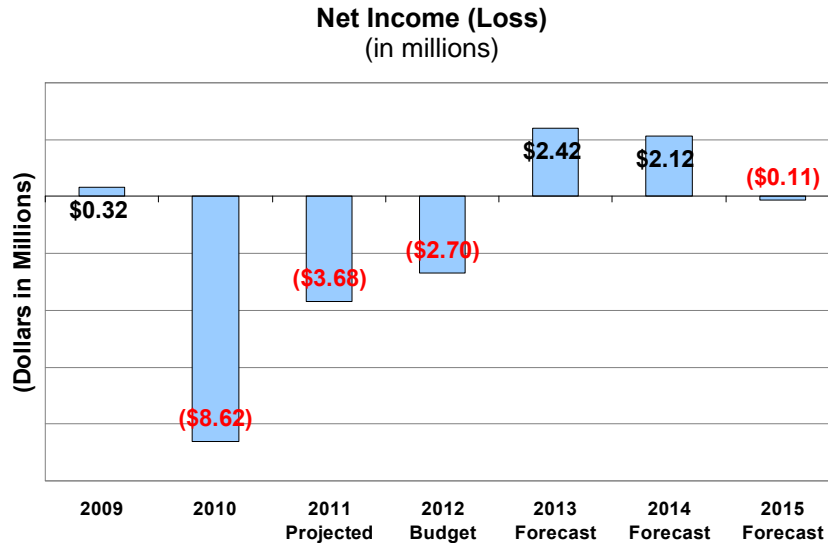
The \$10 million consolidated loan has a 10-year amortization of principal (2008-2017) to be repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from City funding, and profits from the iDSS. The City began collecting loan interest each quarter in 2008, in addition to a \$500,000 payment of loan principal. The principal payments increased to \$704,011 in 2009 and \$908,022 in 2010 and 2011 before capping at \$1.01 million in 2012 and beyond. Loan interest and principal payment coincide with Meet Minneapolis's Sales and Marketing payments from the City. In 2012, \$8.2 million is budgeted for City support of Meet Minneapolis.



The fund balance is projected to decline compared to the 2011 projected budget as total revenues are not projected to increase sufficiently enough to produce net income.

### Operating Revenue and Expense (Excludes Ongoing Equipment & Improvement)





### *Cash Position Changes*

The Convention Center Special Revenue Fund's 2011 projected cash balance, exclusive of loans to other funds, is expected to fluctuate relative to fund equity. Most operating revenues and expense transactions are cash transactions. The Convention Center has a policy of requiring exhibitors to pay in advance for space rent and services, which has historically contributed to a healthy cash position. The 2010 year-end client advances, sometimes received over two years in advance of the event, were \$1.2 million. Outstanding client receivables excluding collections were \$512,000.

### *Transfers*

Total transfers to other funds in 2012 are budgeted at \$42.4 million, including a transfer to the Parking Fund. The transfer to the Parking Fund totals \$6.6 million which supports operating expenses and current year debt service obligations for Convention Center related parking ramps. Other transfers include \$13 million entertainment tax transfer to the General Fund, \$250,000 to the General Fund to fund Mounted Patrol Officers, \$900,000 entertainment tax transfer to the Target Center, \$1.2 million to the Convention Center reserve, and \$20 million to debt service. In addition, the final MERF debt service payment will be made in 2012 totaling \$400,000.

### *Debt Service*

The 2011 budget includes full funding to meet the annual debt service payments. Outstanding debt for the Convention Center was approximately \$192 million in total at the 2010 year-end and will be approximately \$173.5 million at the 2011 year end. Debt service for the Convention Center is projected to be \$22 million in 2011 and decreases to \$20 million in 2012. Part of the debt is in variable rate mode, and it is likely that total debt service payments will be less than budgeted due to the difference between interest on variable rate bonds and the budget assumption of 5%.

### **Mayor's Recommended Budget**

The Mayor recommended no changes.

### **Council Adopted Budget**

The Council adopted the Mayor's recommendations.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousands of dollars)**

**Convention Center Special Revenue Fund**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
<i>Operating Revenues:</i>									
Charges For Services	4,583	4,501	5,280	5,280	5,140	-2.7%	5,089	5,191	5,294
Rents	6,410	6,203	6,400	6,400	6,492	1.4%	6,427	6,555	6,688
Other Miscellaneous Operating	2,367	2,162	2,500	2,500	2,509	0.4%	2,484	2,534	2,584
<i>Sub-Total</i>	<i>13,360</i>	<i>12,866</i>	<i>14,180</i>	<i>14,180</i>	<i>14,141</i>	<i>-0.3%</i>	<i>14,000</i>	<i>14,280</i>	<i>14,566</i>
<i>Non-Operating Revenues:</i>									
Sales Tax	26,470	27,266	27,593	28,000	28,842	3.0%	29,563	30,302	31,060
Restaurant Tax	9,887	10,491	10,306	10,500	11,097	5.7%	11,430	11,773	12,126
Liquor Tax	3,769	4,586	3,929	4,600	4,865	5.8%	5,011	5,161	5,316
Lodging Tax	5,671	5,790	5,911	5,900	6,125	3.8%	6,309	6,498	6,693
Meet Mpls Donations	75	-	-	-	-	-	-	-	-
Contributions Private Donations	-	-	250	250	-	-	-	-	-
Meet Minneapolis(iDSS) Loan Interest	435	403	360	360	314	-12.8%	265	215	164
Interest	401	342	400	184	145	-21.2%	146	150	154
Revenue from Trusts	160	-	-	-	-	-	-	-	-
Damage Claims	-	282	-	-	-	-	-	-	-
Other Misc Non Operating	32	46	20	15	-	-100.0%	-	-	-
Transfer From Facility Reserve	1,000	1,000	1,500	1,500	1,500	0.0%	1,500	1,500	1,500
<i>Sub-Total</i>	<i>47,900</i>	<i>50,206</i>	<i>50,269</i>	<i>51,309</i>	<i>52,888</i>	<i>3.1%</i>	<i>54,224</i>	<i>55,600</i>	<i>57,013</i>
<i>Total (excluding Entertainment Tax)</i>	<i>61,259</i>	<i>63,072</i>	<i>64,449</i>	<i>65,489</i>	<i>67,029</i>	<i>2.4%</i>	<i>68,224</i>	<i>69,880</i>	<i>71,579</i>
Entertainment Tax	9,072	13,176	11,299	13,500	13,936	3.2%	14,354	14,785	15,228
<b>Total (including Entertainment Tax)</b>	<b>70,331</b>	<b>76,248</b>	<b>75,748</b>	<b>78,989</b>	<b>80,965</b>	<b>2.5%</b>	<b>82,578</b>	<b>84,664</b>	<b>86,807</b>
<b>Use of Funds:</b>									
Convention Center Operations	24,616	24,667	26,803	26,640	25,968	-2.5%	25,500	26,265	27,053
Ongoing Equipment/Improvement	2,450	7,990	5,376	3,200	7,076	121.1%	8,765	9,115	9,480
Meet Minneapolis	7,507	6,976	8,025	8,025	8,228	2.5%	8,460	8,699	8,945
Transfer To Gen Fund - Sales Tax	-	250	250	250	250	0.0%	250	250	250
Transfer To Conv Ctr Reserve	1,150	1,150	1,150	1,150	1,150	0.0%	1,150	1,150	1,500
Transfer To Debt Service	15,174	19,037	22,221	22,163	20,075	-9.4%	16,947	17,087	23,462
Transfer to Other Debt Serv Fund	75	73	153	153	400	161.4%	-	-	-
Transfer To Parking Fund	9,969	11,544	6,589	7,589	6,580	-13.3%	4,729	5,195	1,000
<i>Total (excluding Entertainment Tax)</i>	<i>60,941</i>	<i>71,687</i>	<i>70,567</i>	<i>69,170</i>	<i>69,727</i>	<i>0.8%</i>	<i>65,801</i>	<i>67,761</i>	<i>71,690</i>
Transfer to the Gen Fund - Ent. Tax	8,034	12,469	11,219	13,420	13,036	-2.9%	13,427	13,830	14,245
Transfer to the Target Center - Ent. Tax	1,038	706	80	80	900	1025.0%	927	955	983
<b>Total (including Entertainment Tax)</b>	<b>70,013</b>	<b>84,862</b>	<b>81,866</b>	<b>82,670</b>	<b>83,663</b>	<b>1.2%</b>	<b>80,155</b>	<b>82,546</b>	<b>86,918</b>
<b>Net Income</b>	<b>318</b>	<b>(8,615)</b>	<b>(6,118)</b>	<b>(3,681)</b>	<b>(2,697)</b>	<b>-26.7%</b>	<b>2,423</b>	<b>2,119</b>	<b>(111)</b>
<b>Fund Balance/Retained Earnings:</b>									
Beginning Balance	48,307	48,625	40,009	40,009	36,328		33,631	36,054	38,172
Ending Balance	48,625	40,009	33,891	36,328	33,631		36,054	38,172	38,061
Ending Cash Balance	27,777	21,079	14,961	20,722	19,525		23,448	27,066	28,455

**Notes:**

In 2004, Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were rolled together and a promissory note was issued for \$5 million. In April of 2006, the City entered into a 3rd loan agreement for \$5 million for additional iDSS start up capital. The three loans were consolidated for a total of \$10 million. The \$10 million consolidated loan will have a 10 year amortization of principle (2008-2017) repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from the City funding, and profit from the iDSS.

Beginning in 2011, BIS will be transferring \$1.5 million annually to the MCC with a final payment of \$1.75 million in 2016 to repay their loan from the MCC. The loan is being accounted for on the balance sheet.



**City of Minneapolis  
2012 Budget  
Financial Plan**

**Arena Reserve Special Revenue Fund**

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**Background**

The Arena Reserve Special Revenue Fund accounts for the maintenance and operation of the City-funded portion of the Target Center and related taxable activities. The fund was previously used primarily for transfers and was managed under a custodial agreement with Wells Fargo. Management was transferred to the City in 2010.

**Historical Financial Performance**

Because the City's management of the fund began in 2010, there is little historical performance to document. This financial plan documents City resources only.

A portion of the entertainment tax (\$706 thousand in 2010) was redirected to the Arena Reserve Fund from the Convention Center Special Revenue Fund to fully credit the fund for entertainment tax proceeds generated from Target Center activities, as required by the Target Center arena finance plan. To reduce the proposed 2011 property tax levy, the entertainment tax transfer was reduced to \$80,000 with a corresponding transfer to the General Fund on a one-time basis. The entertainment tax is reconciled to the actual entertainment tax the Target Center received. The entertainment tax is deposited into the Convention Center Special Revenue Fund because it is pledged to debt service on outstanding Convention Center bonds in the event other revenue sources are insufficient in meeting the Convention Center debt service payments.

**2012 Budget**

*Revenues*

Revenues for the Arena Reserve Fund come from the Event Parking Transfer, the Entertainment Tax Transfer, and a Property Tax Transfer from the General Fund. The tax increment revenues that are used to subsidize the Target Center are restricted and the Common Project tax increment financing (TIF) revenue can only be used for debt service and capital costs. The Arena Tax Increment can only be used for debt service, certain administration costs, and capital costs; and the Consolidated TIF District can only be used for debt services.

In 2012, the total projected TIF revenue amounts to \$8 million, and total budgeted revenue total \$12.1 million.

*Expenditures*

Expenditures from the Arena Reserve Fund include capital costs, professional services, debt service, and an operator reimbursement for contracted services for operating and promoting the Target Center.

In 2012, most of the fund's projected expenditures will be used to service debt and for modernization of the arena through equipment and capital additions/upgrades. Total use of funds in 2012 are budgeted at \$12.4 million.

## Mayor's Recommended Budget

The Mayor recommended no changes.

## Council Adopted Budget

The Council adopted the Mayor's recommendations.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousands of dollars)**

**Target Center Special Revenue Fund**

	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>								
<i>Tax Revenues:</i>								
Common Project TIF Contribution	1,909	1,989	1,989	2,073	4.2%	1,438	1,474	1,515
Arena Tax Increment	795	953	953	972	2.0%	991	-	-
Consolidated TIF District	-	5,275	5,275	5,000	-5.2%	4,955	5,120	5,310
Sub-Total	2,704	8,217	8,217	8,045	-2.1%	7,384	6,594	6,825
<i>Non-Operating Revenues:</i>								
Event Parking Transfer	2,241	2,758	2,758	2,941	6.6%	3,129	3,323	3,523
Entertainment Tax Transfer	706	80	80	900	1025.0%	927	955	1,118
Property Tax Transfer from the GF	92	92	92	92	0.0%	92	544	550
Interest Earnings - TIF and Arena Reserve	14	80	128	125	-2.3%	120	121	129
Sub-Total	3,039	3,010	3,058	4,058	32.7%	4,148	4,822	5,191
<b>Total</b>	<b>5,743</b>	<b>11,227</b>	<b>11,275</b>	<b>12,103</b>	<b>7.3%</b>	<b>11,532</b>	<b>11,416</b>	<b>12,016</b>
<b>Use of Funds:</b>								
Target Center Capital	36	6,403	2,000	5,617	180.9%	5,031	5,234	5,005
Professional Services & Miscellaneous	105	321	158	332	110.1%	343	355	368
Operator Reimbursement	1,367	1,563	1,563	1,500	-4.0%	1,470	1,441	1,412
Transfer to Debt Service	1,488	3,686	3,686	4,956	34.5%	5,272	4,250	4,492
<b>Total</b>	<b>2,996</b>	<b>11,973</b>	<b>7,407</b>	<b>12,405</b>	<b>67.5%</b>	<b>12,116</b>	<b>11,280</b>	<b>11,277</b>
<b>Net Income</b>	<b>2,747</b>	<b>(746)</b>	<b>3,868</b>	<b>(302)</b>	<b>-107.8%</b>	<b>(584)</b>	<b>136</b>	<b>739</b>
<b>Fund Balance/Retained Earnings:</b>								
Beginning Balance	7,335	9,295	9,295	13,163		12,860	12,276	12,412
Ending Balance	9,295	8,549	13,163	12,860		12,276	12,412	13,151
Ending Cash Balance	9,300	8,554	13,168	12,865		12,281	12,417	13,156

### Notes:

Common Project Tax Increment	May only be used for debt service and capital costs
Arena Tax Increment	May only be used for debt service, certain administrative costs, and capital costs
Consolidated TIF District	May only be used for debt service

Professional Services and Miscellaneous includes administrative staff costs 2011 (92,500), 2012 ((95,000), and 2013 (97,500). Beginning in 2014 after the NBA Arena TIF District terminates, administrative staff costs must be absorbed through non restricted revenue sources.

For the purposes of this statement fund balance is a combination of the Arena Reserve Fund and TIF Funds 01CPK and 01CON. This is not the available balance.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Community and Economic Development Funds**

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**Background**

Community and Economic Development Funds support the City's development efforts and are primarily managed by the Community Planning and Economic Development (CPED) department with the assistance of the Development Finance Division of the Finance Department. These resources have faced several challenges in past years, including lower than expected tax increment and non-tax increment revenues, reductions in federal grant allocations, and limited flexible resources.

**2012 Budget**

*Revenues*

These revenue projections are based on assumptions that need to be validated annually:

- Revenues from federal grant programs are reduced as a result of federal actions. While CPED has experienced much success with grant seeking, it is anticipated that revenues from state and local grants may be reduced as the availability of revenue is reduced.
- There will be continuing modest increases in bond-related fee income from housing and economic development activities, but actual revenues need to be closely monitored for the impacts from changes in the lending and housing markets.
- There will be annual variations in program income. These are shown as declining at a 5 percent rate.
- Other than program income, the five-year projections do not include the use of any additional revenues from the Legacy Fund. The Legacy Fund represents the proceeds from the sale by the MCDA and City's interest in the Hilton Hotel. Under the terms of the Discretionary Development Funding Plan adopted through Resolution 2003R-404, CPED was authorized to borrow \$22 million from the Legacy Fund to finance its development activities from 2003 through 2009. Repayment was made in full as of December 2009. Non-tax increment revenues resulting from certain interest earnings, leases and land sale proceeds are available to CPED and are allocated from year to year in the Development Accounts. Actual revenues in these funds are closely monitored to track development revenues that may be available for future year activities.
- Revenue from the Consolidated TIF District will be used to pay existing Target Center debt and neighborhood revitalization activities. The financial plan does not include any assumptions regarding this district, since currently none of the revenues will be directly available for CPED activities.
- The Council increased the Zoning re-inspection fees from \$150 to \$200 and also raised the land use application fees to 3.5% to reflect the consumer price index /bureau of labor statistic inflation rate.

### *Expenditures*

The expenditure projections contain assumptions that also must be revisited annually in the context of revised revenues and department performance measures:

- CPED staff levels are being reduced by 11 positions with personnel costs increasing 2 percent per annum while non-personnel expenditures increase approximately 1 percent per annum.
- The tax increment revenues will continue to be restricted to existing debt and contractual obligations.

### *Debt Service*

Bonded debt payable from tax increment revenues will remain outstanding beyond 2012. It is anticipated that tax increment revenue will be sufficient to pay debt service on these obligations.

### *General Fund Resources*

Projected general fund revenues and expenditures are consistent with the Five-Year Financial Direction.

City of Minneapolis  
2012 Budget  
Financial Plan (in thousands of dollars)

Projected CPED Revenues & Expenditures

	2009 Revised	2010 Revised	2011 Revised	2012 Adopted	% Chg from 2011	2013 Forecast	2014 Forecast	2015 Forecast
<b>Local Funds</b>								
General Fund Total	3.873	3.407	3.320	3.505	5.6%	6.153	6.409	6.686
GF Property Tax & Non-Direct Revenue	1.775	1.864	1.702	1.647	-3.2%	3.801	4.042	4.301
General Fund LGA	0.508	0.442	0.478	0.406	-15.1%	0.900	0.915	0.933
General Fund Direct Revenues	1.589	1.101	1.140	1.452	27.4%	1.452	1.452	1.452
Tax Increment	72.463	47.997	61.329	44.972	-26.7%	41.376	46.512	43.179
Capital Bonding (CIP) (Public Arts Proj)	0.317	0.203	0.347	0.346	-0.3%	0.354	0.361	0.400
Dev Acct (Non-TI)	28.303	1.600	7.715	5.919	-23.3%	7.785	2.485	2.535
Affordable Housing TI				2.000	100.0%	2.000	-	-
<b>Total Discretionary Development Revenue</b>	<b>28.303</b>	<b>1.600</b>	<b>7.715</b>	<b>7.919</b>	<b>2.6%</b>	<b>9.785</b>	<b>2.485</b>	<b>2.535</b>
Interest Earnings all Funds	4.853	4.610	2.190	2.080	-5.0%	1.248	1.248	1.186
Housing Program Fees & Revenues	1.342	1.396	1.339	1.090	-18.6%	1.393	1.421	1.449
Economic Dev Program Fees & Revenues	4.585	4.814	4.333	4.930	13.8%	4.777	5.016	5.267
Other Project & Program Income	10.471	9.947	9.450	8.422	-10.9%	8.528	8.102	7.697
Transfers (Debt Services)	11.988	6.000	6.000	4.000	-33.3%	4.000	4.000	4.000
<b>Federal Funds</b>								
CDBG & NSP	10.362	10.383	10.316	9.198	-10.8%	8.109	8.109	8.109
ESG	0.592	0.577	0.573	0.939	63.9%	0.939	0.939	0.939
HOME	3.802	3.787	3.766	2.058	-45.4%	2.058	2.058	2.058
Other State/Local Grants	4.500	4.500	4.500	4.500	0.0%	4.500	4.500	4.500
<b>Total Projected Revenues</b>	<b>157.450</b>	<b>99.221</b>	<b>115.177</b>	<b>93.958</b>	<b>-18.4%</b>	<b>93.220</b>	<b>91.159</b>	<b>88.004</b>
<b>Appropriated</b>								
<u>Business Lines:</u>								
Economic Policy & Development	12.196	15.226	15.352	10.544	-31.3%	10.703	10.863	11.026
Workforce Development	8.308	10.992	11.029	8.874	-19.5%	9.007	9.142	9.279
Housing & Policy Development	18.150	20.649	16.021	14.484	-9.6%	14.701	14.922	15.146
Community Planning	1.616	1.716	1.768	1.487	-15.9%	1.510	1.532	1.555
Development Services	2.257	2.310	2.361	2.401	1.7%	2.437	2.474	2.511
<u>CPED Support:</u>								
Executive & Support Services	8.143	5.715	4.761	5.074	6.6%	5.150	5.228	5.306
Transfer & Debt Service	74.582	41.673	52.909	49.245	-6.9%	49.204	44.977	41.849
<b>Total Appropriated</b>	<b>125.252</b>	<b>98.281</b>	<b>104.199</b>	<b>92.110</b>	<b>-11.6%</b>	<b>92.712</b>	<b>89.137</b>	<b>86.673</b>
<b>Total Projected Uses</b>	<b>125.252</b>	<b>98.281</b>	<b>104.199</b>	<b>92.110</b>	<b>-11.6%</b>	<b>92.712</b>	<b>89.137</b>	<b>86.673</b>
<b>Difference</b>	<b>32.199</b>	<b>0.940</b>	<b>10.978</b>	<b>1.848</b>		<b>0.508</b>	<b>2.022</b>	<b>1.332</b>

Note: This financial plan is presented differently than others in the section as CPED operates within many funds. For more information regarding revenue and expense of individual funds, please see the schedules section of this book.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Municipal Parking Fund**

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**Background**

The Municipal Parking Fund accounts for the operation and maintenance of parking ramps, lots, on-street parking, and a municipal impound lot. Major parking related capital construction and development activities also occur in this fund.

**Historical Financial Performance**

The financial condition of the Parking Fund has historically been stable, but continues to present a future financial challenge to the City due to cash flows. While the fund continues to generate positive retained earnings, it is insufficient to pay debt service, restore its productive assets (ramps) and pay dividends (e.g., transfers out to other funds).

Nearly all of the capital costs of ramps have been financed by debt. Revenues for the fund are generated from these three lines of activities:

- Off-street parking
- On-street parking
- The impound-lot

The fund receives transfers (\$6.4 million in year 2011) from the Minneapolis Convention Center to pay its share of operating and debt service on the Convention Center-related parking facilities. The fund also receives transfers (\$7.5 million in 2011) from tax increment and abatement revenue to pay part of major development projects in downtown area.

For historical trends, the 2009 and 2010 operating revenues and expenses are presented in the 2012 Parking Fund budget chart (see on a following page). Increases in revenues and expenses can be attributed to initiatives such as automation and centralization of parking ramp fee collections, enhanced parking ramp marketing, updated parking meter technology, event parking, the sale of unclaimed property left in abandoned vehicles and reimbursement from the State for improvements made to the State owned ramps.

The Parking Fund cash balance for year 2010 was \$12.8 million. The parking system creates a positive cash flow from the parking system operations. However with the fund transfers, interest payments on debt service and debt service payments, the Parking Fund may have a negative cash position in future years. Based on current and proposed budgets, the Parking Fund cash balances are going to continue to decrease.

**2012 Budget**

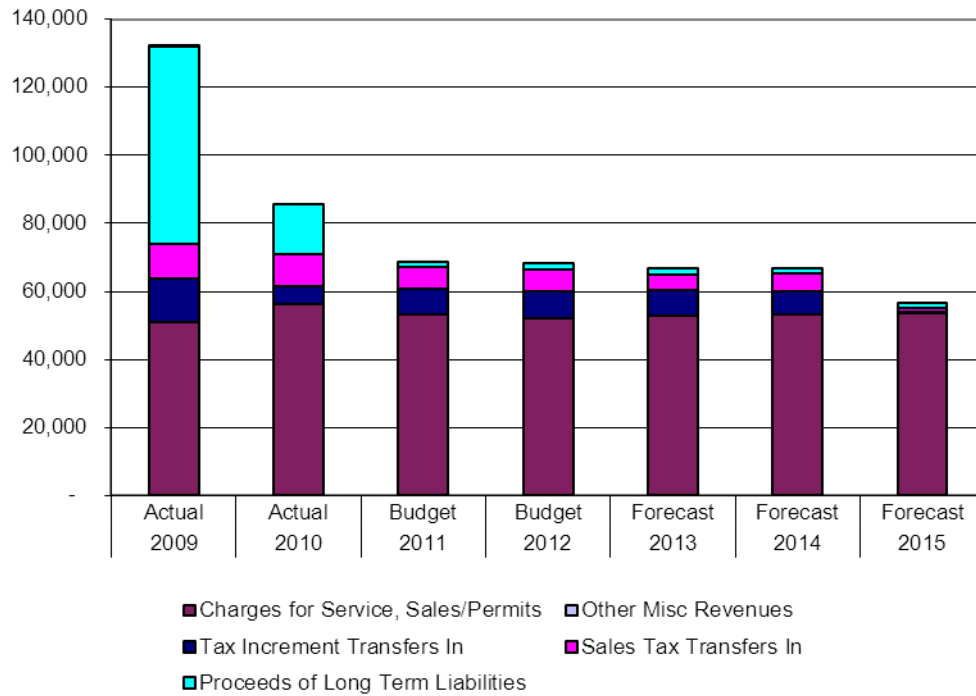
*Revenues*

The operating revenue budget for 2012 decreased 0.6% to \$54.7 million from \$55 million projected for 2011. The 2011 projected revenue includes an increase of \$1 million due to the additional snow events experienced above and beyond the average of three snow events per season which lead to increases in impound lot revenue and parking fees. The decrease in the 2012 budget brings the revenue back in line with the average number of snow events.

<b>Revenue Assumptions (2012)</b>	
Utilization Percentage in 2010	78%
Number of Parking Stalls in the system	20,238 as of 6/30/2011
Forecasted Revenue increase	2012 1.5% 2013 1.0% 2014 1.0%
Assumed rate increases (if any)	0%
System-wide average event rate	\$ 10.00
System-wide average daily rate	\$ 7.25
System wide average monthly rate	\$ 135.00
Number of new stalls in the system	2012 0 2013 0 2014 0

For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.

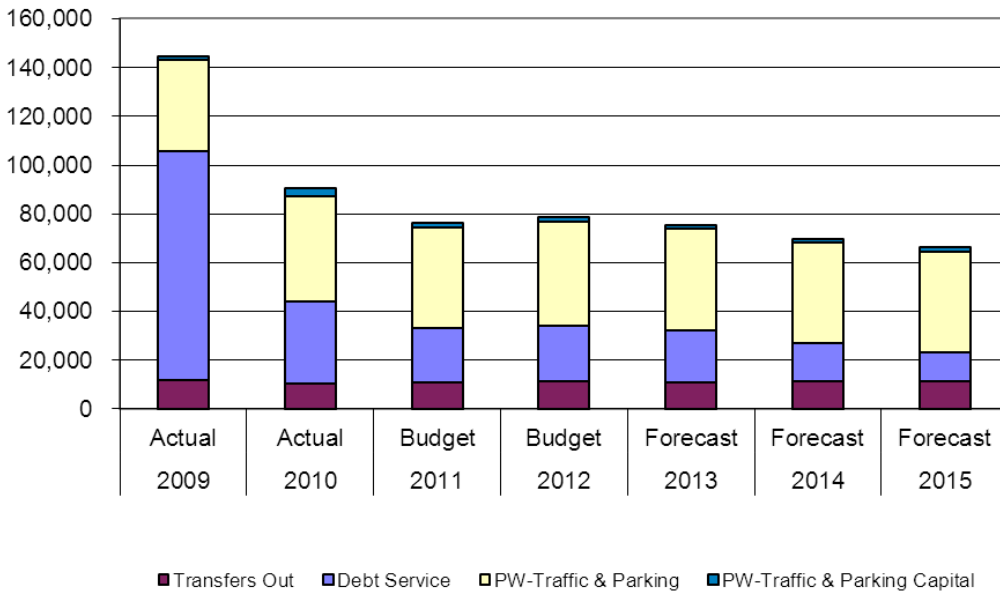
**Parking Fund Revenues**  
(in thousands of dollars)



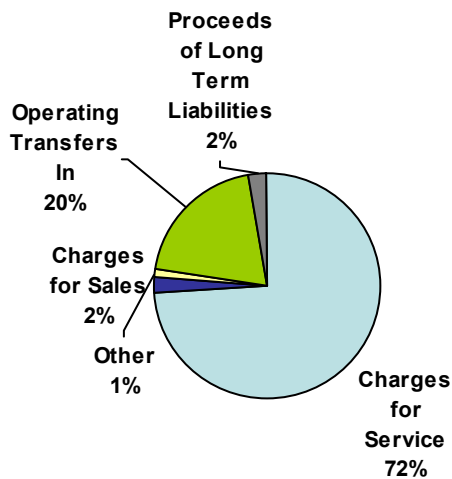
### *Expenditures*

The operating budget for 2012 stands at \$42.6 million which is an increase of 2.4% from 2011 projected. The capital budget for 2012 is set at \$1.7 million, the same level as the 2011 due to on-going repair and improvement work in the City-owned parking facilities.

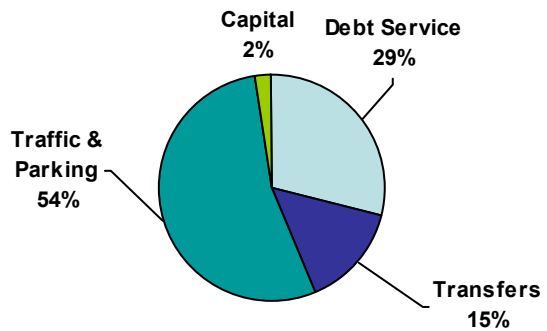
**Parking Fund Expenditures**  
(in thousands of dollars)



**Source of Funds**  
(\$70.7 million)



**Use of Funds**  
(\$78.5 million)



*Debt Service*

Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, is \$22.9 million for 2012. A portion of debt service payments are reimbursed from tax increment and sales tax revenues, which are transfers to the Parking Fund from the Convention Center and Tax Increment Funds, revenue totaling \$14.3 million for 2012.



### *Transfers*

The transfer to the general fund remained the same for 2012 at \$7.8 million. The transfer to the Target Center Arena Fund increases in 2012 by \$0.2 million to \$2.9 million over 2011 at \$2.8 million, and is scheduled to increase in future years. Revenues from State-owned garages continue to be transferred to the State on a daily basis. An annual transfer of \$146,000 to the Solid Waste and Recycling fund supports service for bus shelter litter containers. Lastly, there is a transfer to the Minneapolis Employees Retirement Fund (MERF) debt service fund of \$477,000 that increases from \$198,000 in 2011.

As discussed above, the transfers into the parking fund include revenues from sales tax along with revenues from tax increment and abatement. The transfer of sales tax revenue from the Convention Center Special Revenue Fund is \$6.6 million for 2012 and \$6.4 million for 2011. The transfers from the CPED Special Revenue fund for tax increment and abatement are budgeted to increase \$0.2 million, from \$7.5 million in 2011 to \$7.7 million in 2012. These revenue transfers are used for debt service payments.

### **Mayor's Recommended Budget**

The Mayor recommended no changes.

### **Council Adopted Budget**

The Council adopted the Mayor's recommendations.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousands of dollars)**

**Municipal Parking Fund - 7500**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Budget	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Licenses and Permits	288	292	240	264	240	-9.1%	242	245	247
Charges for Service, Sales/Permits	50,924	56,278	52,100	53,100	52,192	-1.7%	52,714	53,241	53,773
Charges for Sales	1,205	1,670	1,550	1,612	1,670	3.6%	1,687	1,704	1,721
Special Assessments	86	65	-	-	543		-	-	-
Interest	1		-	-	-		-	-	-
Rents (Transportation)	4	3	4	5	4	-13.0%	4	4	4
Other Misc Revenues	12	8	46	41	46	11.1%	46	47	47
<i>Total Operating Revenue</i>	<i>52,520</i>	<i>58,316</i>	<i>53,940</i>	<i>55,022</i>	<i>54,695</i>	<i>-0.6%</i>	<i>54,694</i>	<i>55,240</i>	<i>55,793</i>
Tax Increment Transfers In	12,954	5,272	7,523	7,523	7,748	3.0%	7,511	6,700	297
Transfers In from Convention Center Fund	9,969	9,505	6,420	6,420	6,580	2.5%	4,729	5,195	1,000
Other Transfers In	39		-	-	-		-	-	-
<i>Total Transfers In</i>	<i>22,962</i>	<i>14,777</i>	<i>13,943</i>	<i>13,943</i>	<i>14,329</i>	<i>2.8%</i>	<i>12,240</i>	<i>11,895</i>	<i>1,297</i>
Proceeds of Long Term Liabilities	57,995	14,725	1,700	1,700	1,700		1,700	1,700	1,700
<b>Total</b>	<b>133,477</b>	<b>87,818</b>	<b>69,583</b>	<b>70,665</b>	<b>70,724</b>	<b>0.1%</b>	<b>68,634</b>	<b>68,835</b>	<b>58,790</b>
<b>Use of Funds:</b>									
Debt Service	93,630	33,726	22,112	22,112	22,875	3.5%	21,043	15,637	11,535
General Fund Transfer Out	7,818	7,818	7,818	7,818	7,818		7,818	7,818	7,818
Target Arena Transfer Out	2,241	2,241	2,758	2,758	2,941	6.6%	3,129	3,323	3,523
Debt Service Transfer Out	1,561	126	-	-	-		-	-	-
MERF Liability Transfer Out	115	111	198	198	477	140.9%	-	-	-
Sanitation Transfer Out	146	146	146	146	146		146	146	146
<i>Total Transfers Out</i>	<i>11,881</i>	<i>10,442</i>	<i>10,920</i>	<i>10,920</i>	<i>11,382</i>	<i>4.2%</i>	<i>11,093</i>	<i>11,287</i>	<i>11,487</i>
PW-Traffic & Parking	37,564	43,099	42,553	41,553	42,564	2.4%	41,648	41,105	41,569
PW-Traffic & Parking Capital	1,675	3,077	1,700	1,700	1,700		1,740	1,740	1,740
<b>Total</b>	<b>144,750</b>	<b>90,344</b>	<b>77,285</b>	<b>76,285</b>	<b>78,521</b>	<b>2.9%</b>	<b>75,524</b>	<b>69,769</b>	<b>66,331</b>
<b>Change in Net Assets</b>	<b>10,463</b>	<b>6,815</b>	<b>781</b>	<b>2,427</b>	<b>1,270</b>	<b>-47.7%</b>	<b>866</b>	<b>1,987</b>	<b>(8,520)</b>
<b>Net Assets</b>	<b>141,503</b>	<b>148,318</b>	<b>149,099</b>	<b>143,930</b>	<b>145,200</b>	<b>0.9%</b>	<b>146,066</b>	<b>148,053</b>	<b>139,533</b>
<b>Modified Change in Net Assets (Net Income Est)</b>									
(-) Depreciation	6,704	6,776	6,137	6,773	6,773		6,773	6,773	6,773
(-) Proceeds of LTD	57,995	14,725	-	1,700	1,700		-	-	-
(+) Traffic & Park Capital	1,675	3,077	-	1,700	1,700		-	-	-
(+) Principal Paid	84,760	27,765	14,620	14,820	15,840		14,529	9,694	5,794
<b>Total</b>	<b>151,134</b>	<b>52,343</b>	<b>20,757</b>	<b>24,993</b>	<b>26,013</b>		<b>21,302</b>	<b>16,467</b>	<b>12,567</b>
<b>Cash Balances</b>	<b>13,211</b>	<b>12,781</b>	<b>5,509</b>	<b>7,161</b>	<b>(636)</b>		<b>(7,526)</b>	<b>(8,460)</b>	<b>(16,001)</b>
<b>Cash Balances after Workout Plan</b>	<b>42,661</b>		<b>5,509</b>	<b>7,161</b>	<b>(636)</b>		<b>(7,526)</b>	<b>(8,460)</b>	<b>(16,001)</b>

**Notes:**

Fund Margin does not include depreciation or impact of all arbitrage funds, but does include principal paid on bonds. (Represent more of a sources and uses statement rather than an audited Net Income statement)

Income statement was not available for projections, so the modified fund margin was used to compute retained earning to reflect the adjustment for depreciation expense and principal paid on bonds.

Revenue and expense projections are based on 1.5 and 2% increases respectively

Construction cash not included in current yr and projected years

Cash balances above are the actual without the year-end loan

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Solid Waste and Recycling Fund**

**Background**

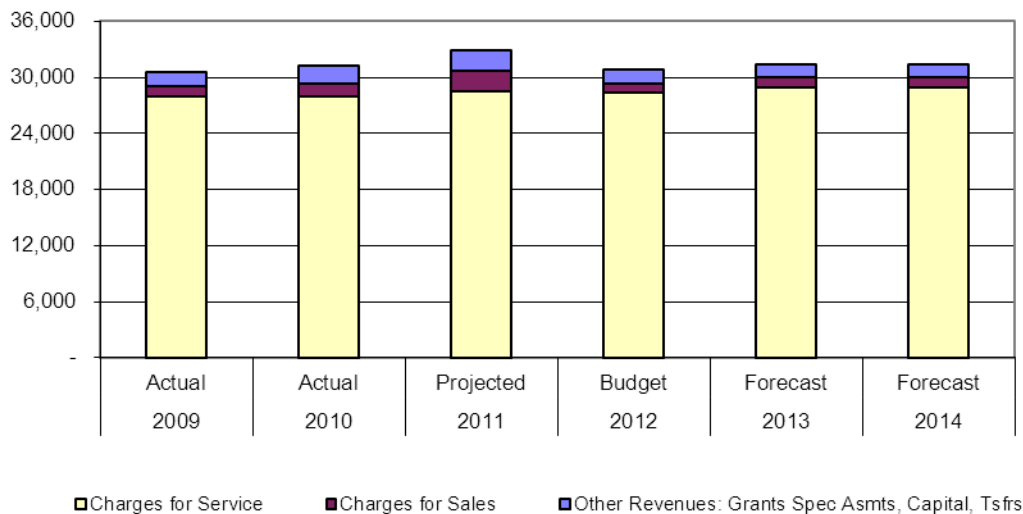
The Solid Waste and Recycling Fund account for solid waste collection, graffiti removal, disposal, recycling activities and organic programs of the City. In all, there are nine programs that are budgeted for 2012 under Solid Waste fund. The Solid Waste Division of Public Works provides weekly and bi-weekly pickups for trash, yard-waste, and recycling materials. It also operates a solid waste transfer station providing service to over 105,000 households. City crews provide approximately one-half of the solid waste collection service with the other half of the service provided through a contract with a consortium of companies specializing in waste collection.

Funding for Solid Waste and Recycling activities is primarily generated from solid waste collection fees. The Fund also receives grants from Hennepin County. Additional revenue is generated through recyclable sales, miscellaneous services, and organic programs.

**Historical Financial Performance**

The overall financial condition of the Solid Waste and Recycling Fund has remained stable over the years. Total revenues for year 2010 were at \$31.2 million compared to the 2009 amount of \$30.6 million. Total expenditures for 2010 came to \$30.8 million compared to \$28.8 million for 2009, an increase of \$2 million. \$1.6 million of this increase is due to higher cost of contractual services regarding waste collection, higher labor costs, and replacement of solid waste carts and bins. Lease-hold improvement work and purchase of land within Transfer Station division has also contributed to increase in expenditures by \$400,000. The year-end cash balance for this fund ended 2010 at \$21.9 million compared to \$20.6 million in 2009.

**Solid Waste Fund Revenues**  
(in thousands of dollars)



<b>Revenue Assumptions (2012)</b>	
Number of dwelling units	105,259
Number of recycling customers	101,689

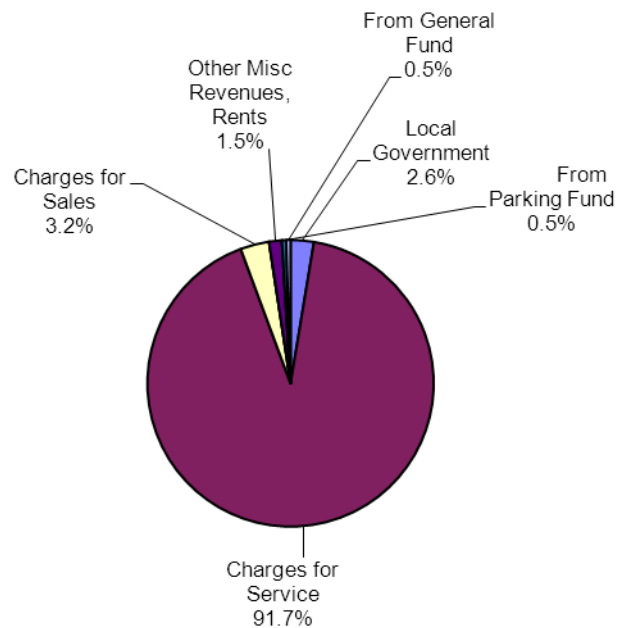
For 2011, year-end revenues from collection are projected to reach \$28.6 million and the total revenues for the fund are projected at \$32.9 million. Expenses for the Solid Waste and Recycling are projected at \$33.1 million. This projected deficit of \$463K is mainly due to the capital outlay scheduled for 2011 relating to Transfer Station, land and equipment purchases, and related construction works. With a fund balance in excess of \$21 million, the Solid Waste and Recycling Fund will be able to absorb these costs.

## 2012 Budget

### Revenues

The total revenue budget for the Fund for 2012 amounts to \$30.8 million compared to \$32.9 million for projected 2011. This is a decrease of 6.2% over 2011 projection. Service revenue has been estimated at \$28.3 million compared to \$28.6 million for projected 2011. For 2012, collection fee has been set at \$24 per dwelling unit with adjustments of \$7 made to recycling credits. Monthly charges for large and small disposal carts are set at \$5 and \$2, respectively. Due to increasing market for scrap metals, recyclable sales for 2012 are expected to increase resulting in estimated revenue of \$1 million compared to \$600,000 for 2011. Funds from local government include a Hennepin County recycling grant of \$800,000 and reimbursement of \$8,000 from State for graffiti. Revenues generated from debris removals, special district maintenance, and various miscellaneous sources are estimated at \$450,000.

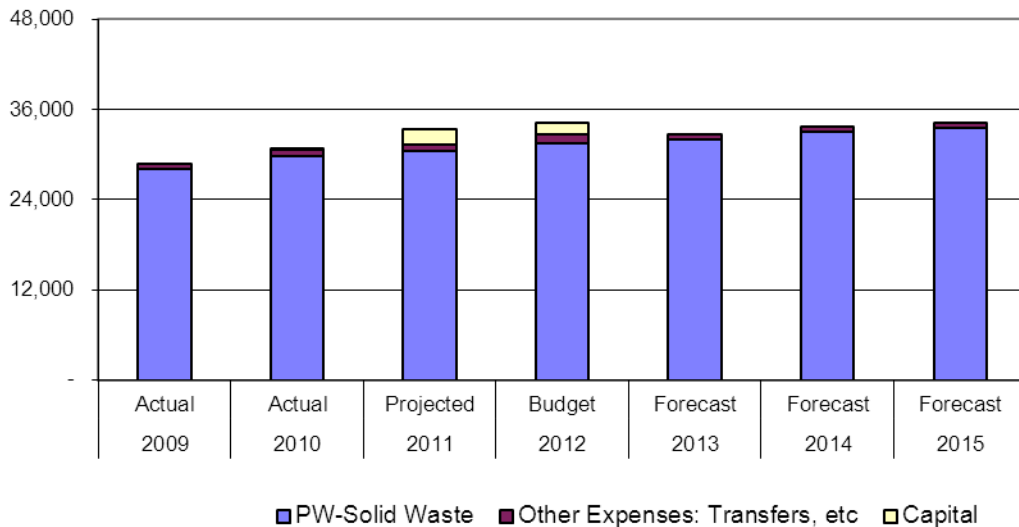
Source of Funds (\$30.9 million)



### Expenditures

The total expenditure budget for 2012 amounts to \$34.1 million compared to \$33.4 million for projected 2011, an increase of 2.3%. The reductions for 2012 were made in salaries, contractual services, and in operating materials to bring the budget more in line with actual expenditures and major contracts.

## Solid Waste Fund Expenditures (in thousands of dollars)



### *Transfers*

The 2012 budget includes a \$700,000 transfer from Solid Waste and Recycling to the General Fund to pay for snow plowing that will ensure delivery of solid waste and recycling services in the alleys. This transfer is projected to continue at \$700,000 in coming years.

The budget also includes a transfer of \$571,000 to the Debt Service Fund for pension obligations related to the Minneapolis Employees Retirement Fund (MERF). This obligation is to be paid from fund balance.

The Solid Waste and Recycling Fund will continue to receive \$146,000 from the Parking Fund for litter container pick-ups in downtown area. Since 2004, the Fund has been receiving \$50,000 as an annual transfer from General Fund for graffiti removal.

### *Debt Service*

This fund does not have any capital debt service payments.

### *Cash Balance*

The Solid Waste and Recycling Fund is projected to have a \$18.3 million cash balance at the end of 2012.

### **Mayor's Recommended Budget**

The Mayor recommended a one-time increase of \$100,000 to the graffiti transfer (totaling \$150,000) in 2012 for graffiti microgrants.

### **Council Adopted Budget**

The Council adopted the Mayor's recommendations.

**City of Minneapolis  
2012 Budget  
Financial Plan (in thousands of dollars)**

**Solid Waste Fund - 7700**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Sources of Funds:</b>									
Local Government	861	888	810	953	808	-15.2%	800	800	800
Charges for Service	27,892	27,945	28,145	28,562	28,337	-0.8%	28,966	28,966	28,966
Charges for Sales	1,095	1,445	600	2,200	1,000	-54.5%	1,000	1,000	600
Special Assessments	563	244		460		-100.0%			
Other Misc Revenues, Rents	-	515	350	529	450	-14.9%	450	450	450
Operating Transfers In:									
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund	50	50	50	50	150	200.0%	50	50	50
<b>Total</b>	<b>30,607</b>	<b>31,233</b>	<b>30,101</b>	<b>32,900</b>	<b>30,891</b>	<b>-6.1%</b>	<b>31,412</b>	<b>31,412</b>	<b>31,012</b>
<b>Use of Funds:</b>									
PW-Solid Waste	28,021	29,827	32,378	30,440	31,500	3.5%	32,015	32,997	33,571
Transfers									
To General Fund	700	700	700	700	700		700	700	700
To MERF Fund	121	151	236	236	571	141.9%	-	-	-
General Services Capital									
Capital		167	1,380	1,988	1,380	-30.6%	-	-	-
Human Resources									
<b>Total</b>	<b>28,842</b>	<b>30,845</b>	<b>34,694</b>	<b>33,364</b>	<b>34,151</b>	<b>2.4%</b>	<b>32,715</b>	<b>33,697</b>	<b>34,271</b>
<b>Change in Net Assets</b>	<b>1,765</b>	<b>388</b>	<b>(4,592)</b>	<b>(463)</b>	<b>(3,259)</b>		<b>(1,303)</b>	<b>(2,285)</b>	<b>(3,259)</b>
<b>Net Asset Balance</b>	<b>27,948</b>	<b>28,006</b>	<b>23,414</b>	<b>27,543</b>	<b>24,284</b>		<b>22,981</b>	<b>20,696</b>	<b>17,437</b>
<b>Cash Balance</b>	<b>20,560</b>	<b>21,924</b>	<b>17,332</b>	<b>21,461</b>	<b>18,259</b>		<b>16,956</b>	<b>14,671</b>	<b>11,412</b>

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Sanitary Sewer Fund**

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**Background**

The operating budget has been set up under Sanitary Sewer Conveyance & Treatment program. As part of this program, the Fund accounts for 95% of the contractual payments made to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. It also accounts for maintenance and design work, capital programs and long-term debt service for these activities.

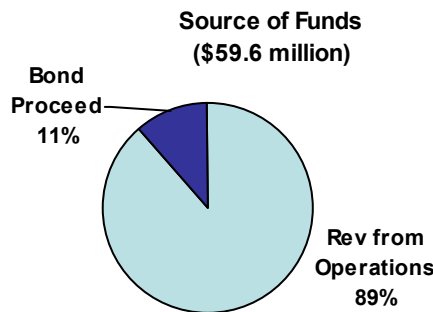
**Historical Financial Performance**

Total 2010 revenues were \$53.8 million compared to \$50.1 million in 2009. Sanitary service revenue increased due to a rate increase. The expenditures for 2010 were close to the 2009 total of \$50.8 million. An expenditure increase of \$2.7 million related to design, maintenance, Met Council, and debt services was offset by decrease of \$2.7 million in capital programs.

**2012 Budget**

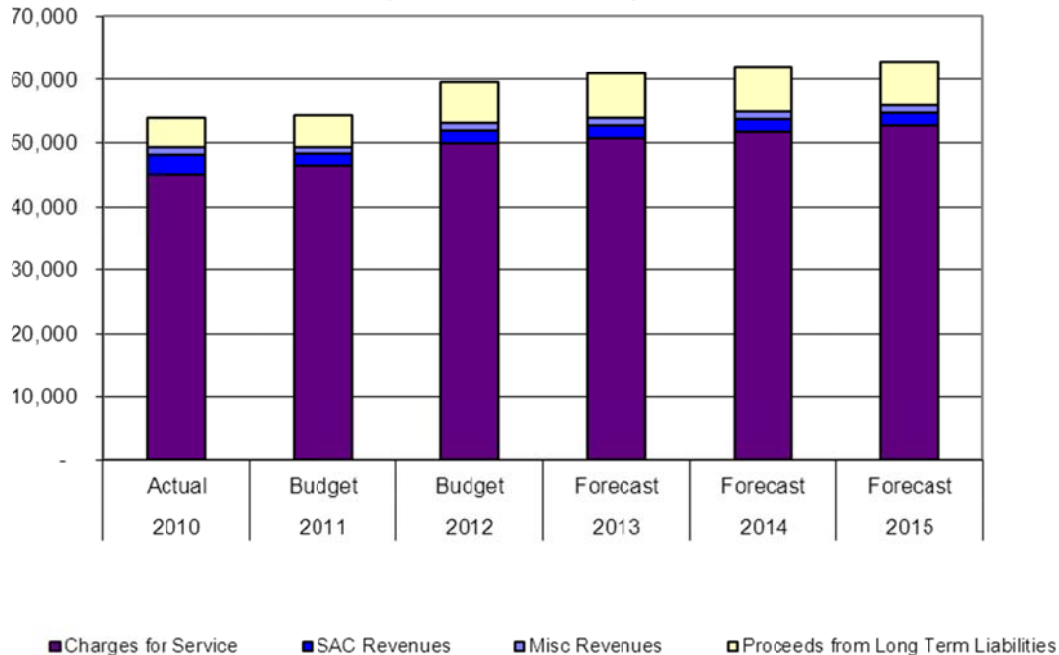
*Revenues*

The total revenue budget for the Sanitary Sewer Fund for 2012 amounts to \$59.6 million compared to \$51.9 million in 2011, an increase of 14.5% over 2011 projected revenues. Service revenues have been estimated at \$49.8 million, an increase of \$4.7 million; and bond proceeds for 2012 have been budgeted at \$6.5 million, an increase of \$1.5 million over projected 2011. Monthly sanitary utility charges, Sewer Access Charges (SAC), design and miscellaneous revenues, along with bond proceeds are the sources of revenue for Sanitary Sewer Fund. Revenues from operations account for 89% of the budget and bond proceeds from capital programs make up the remaining 11%. For 2012, sanitary sewer rate has been maintained at \$3.05 per one hundred cubic feet; however, a fixed revenue component has been added to establish a base in order to cover fixed expenses. Revenue estimates were increased to fund Minneapolis Employees Retirement Fund (MERF) debt payments and participate in cost sharing for meter reading.



Year	Rate (cost per 100 cubic feet)	% Increase	Average Monthly Bill	Total Planned Revenue from Utility Fee
2012	\$3.05	0.00%	\$18.30	\$49.9 million
2013	\$3.14	3.00%	\$18.84	\$50.7 million
2014	\$3.24	3.20%	\$19.44	\$51.7 million
2015	\$3.34	3.10%	\$20.04	\$52.7 million
2016	\$3.44	3.00%	\$20.64	\$53.7 million

### Sanitary Sewer Fund Revenues (in thousands of dollars)

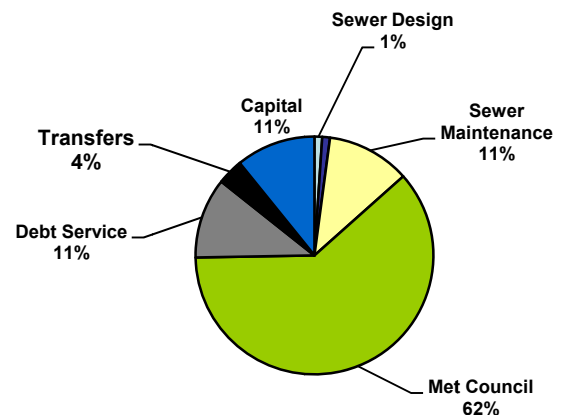


### Expenditures

The total expenditure budget for 2012 amounts to \$59.5 million compared to \$51.9 million for projected 2011. This is an increase of \$7.5 million, or 14.5%, from 2011. The use of funds includes maintenance and design work, Met Council, capital programs, and long-term debts. Increase of \$500K in design and maintenance budget are mainly due to personnel realignment. Increase of \$1.7 million in Met Council department is due to rate increase for treatment services.

Capital expenditures for 2012 total \$6.5 million compared to \$5 million for 2011. This increase of \$1.5 million is due to sanitary tunnel and sewer rehabilitation work scheduled for 2012. The largest expense in the Sanitary Sewer Fund is the

### Use of Funds (\$59.5 million)

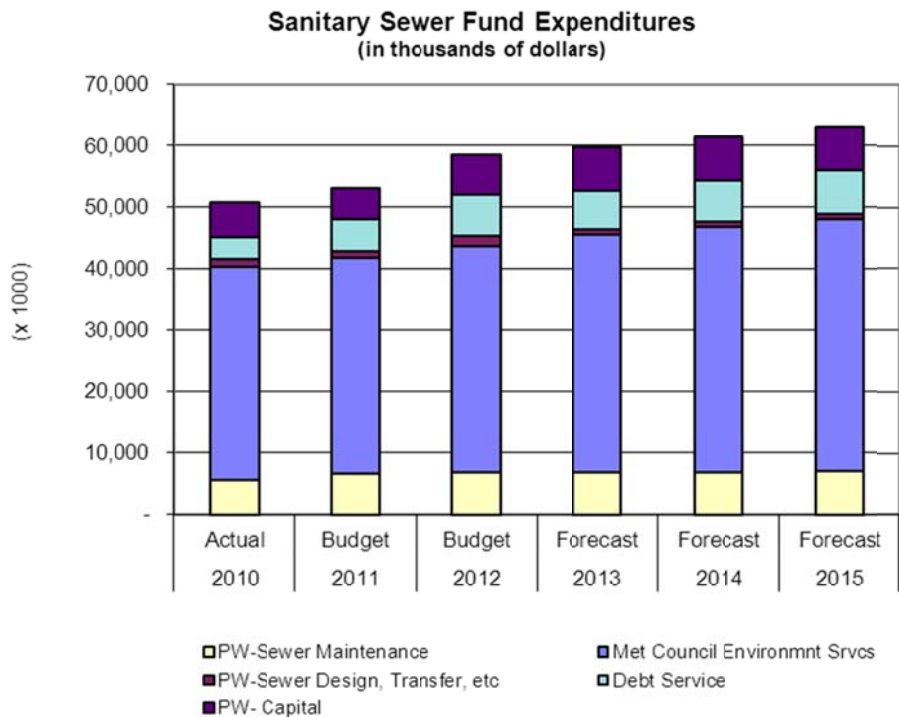




sanitary sewer charges paid to Met Council Environmental Services (MCES). The estimated payment to MCES for 2012 is \$32.9 million a 4% increase over 2011. The Sanitary Sewer Fund bears 95%, or \$31.2 million, of this cost with the remaining \$1.7 million paid from the Storm Water Fund. Minneapolis is the largest customer in MCES system.

**Debt Service & Transfers**

Capital programs were instituted in 2007 to address the inflow/infiltration issue in Minneapolis and will continue as part of the on-going five-year plan. Other components of capital program included expansion of the existing system and major repairs to current infrastructure. For 2012, \$6.6 million is set aside as debt service payments for bonds sold in current and previous years to fund these projects. This is an increase of \$1.4 million over 2011 debt appropriation. Transfers from this fund are made to the pension and water funds to cover the MERF debts and shared expenses with Water Fund. For 2012, pension related transfer is estimated at \$1.1 million compared to \$478,000 for 2011; and the transfer to Water fund to support the meter shop is estimated at \$994,000.



**Mayor’s Recommended Budget**

The Mayor recommended no changes.

**Council Adopted Budget**

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.05.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousands of dollars)**

**Sanitary Sewer Fund - 07100**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg from 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Charges for Service	40,230	45,142	46,367	45,154	49,867	10.4%	50,739	51,737	52,707
SAC Revenues	2,305	2,984	2,000	2,000	2,000		2,000	2,000	2,000
Other Misc Revenues	1,418	1,241	929	929	1,226	32.0%	1,189	1,189	1,189
Proceeds from Long Term Liabilities	6,154	4,477	5,000	5,000	6,500	30.0%	7,000	7,000	7,000
<b>Total</b>	<b>50,107</b>	<b>53,843</b>	<b>54,296</b>	<b>53,083</b>	<b>59,593</b>	<b>12.3%</b>	<b>60,928</b>	<b>61,926</b>	<b>62,896</b>
<b>Use of Funds:</b>									
PW-Sewer Design	230	298	427	563	632	12.3%	615	630	645
PW-Sewer Maintenance	5,923	5,470	6,488	5,986	6,796	13.5%	6,707	6,851	6,997
MERF Debt Service -New Plan	-	-	-	-	-		286	286	286
Met Council Environment Svcs	32,235	34,897	35,382	35,086	36,833	5.0%	38,849	39,901	40,983
Debt Service	3,372	3,551	3,757	4,814	5,217	8.4%	3,814	3,172	2,645
Future Debt Service			1,439		1,367		2,406	3,446	4,486
Transfers	-								
To MERF Debt Service	628	825	478	478	1,112	132.6%	-	-	-
To Water Fund					994				
PW- Capital	8,383	5,709	5,000	5,000	6,500	30.0%	7,000	7,000	7,000
<b>Total</b>	<b>50,771</b>	<b>50,750</b>	<b>52,971</b>	<b>51,927</b>	<b>59,451</b>	<b>14.5%</b>	<b>59,677</b>	<b>61,286</b>	<b>63,042</b>
<b>Change in Net Assets</b>	<b>(664)</b>	<b>3,092</b>	<b>1,325</b>	<b>1,156</b>	<b>142</b>		<b>1,251</b>	<b>641</b>	<b>(146)</b>
<b>Net Asset Balance</b>	<b>89,638</b>	<b>96,156</b>	<b>97,481</b>	<b>97,312</b>	<b>97,454</b>		<b>98,705</b>	<b>99,346</b>	<b>99,200</b>
<b>Cash Balances</b>									
Operating Cash	9,640	12,474	13,799	13,630	13,772		15,023	15,664	15,518
Construction Cash	4,678	4,177							

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Storm Water Fund**

**Background**

The Storm Water Conveyance & Treatment and Street Cleaning programs make up the budget for Storm Water Fund. The Fund accounts for street cleaning, design, construction, and maintenance of City's storm drain system. A portion of the Storm Water Fund is used for sanitary water interceptor and treatment services, a program carried out through Metropolitan Council Environmental Services (MCES). The Fund also accounts for the Combined Sewer Overflow (CSO) program, which separates storm sewer from the sanitary sewer lines.

**Historical Financial Performance**

In 2010, total revenues increased to \$46.1 million compared to \$45.8 million in 2009. This increase amounts to \$200,000, or 1%. While design and bond revenues from capital activities decreased by \$2.9 million compared to 2009, revenues from storm utility charges and maintenance agreements were up by \$3.1 million. A rate increase of \$0.32 per Equivalent Stormwater Unit (ESU) in utility billings accounted for \$2.8 million increase in the Fund's 2010 revenues. The expenditure of \$37.9 million in 2010 is an increase of \$5.1 million, or 16%, compared to \$32.8 million in 2009. Of this increase, \$2.3 million comes from operations with another \$2.9 million from Capital, and \$2.4 million in transfers. These increases have been slightly off-set by decrease in debt service by \$2.5 million.

**2012 Budget**

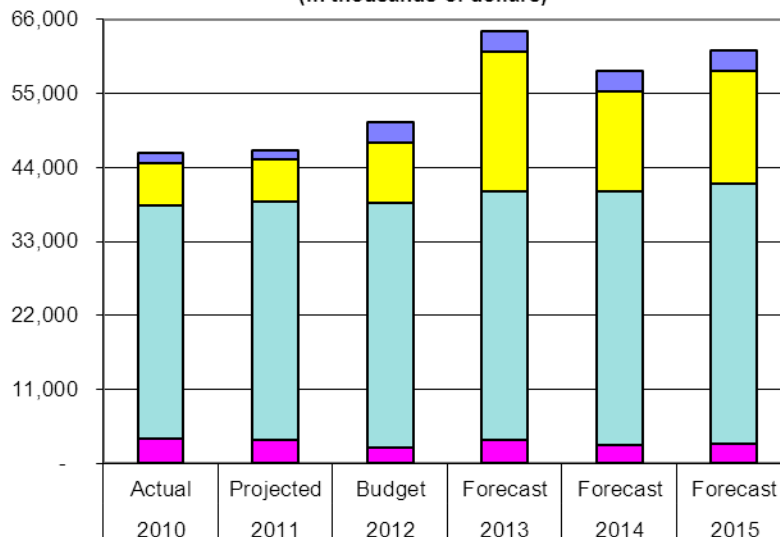
*Revenues*

The 2012 revenue budget totals \$50.7 million, compared to \$46.6 million projected for 2011, an increase of 8.8%. The capital program is estimated to generate \$9 million from bond sales in 2012. The Storm water rate or the rate per ESU for 2012 has been proposed at \$11.70. This rate increase of \$0.28 in storm water billings is estimated to put service revenue at \$36.3 million, \$900,000 more than the projected \$35.4 million for 2011. Revenues from maintenance agreement with County/State are expected to decrease to \$916,000 compared to \$1.4 million for 2011.

Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue deposited in the Storm Water Fund also include sources other than utility fees, such as capital work for others billings.

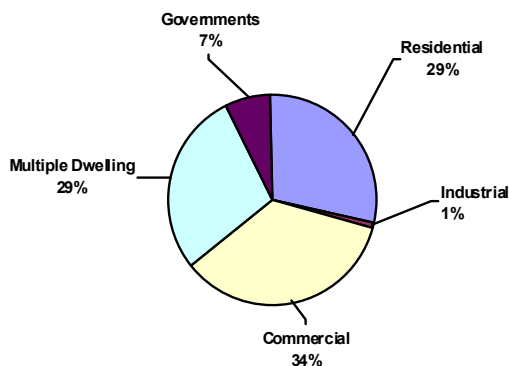
<b>Year</b>	<b>Rate per ESU (Equivalent Storm Water Unit)</b>	<b>% Increase</b>	<b>Total Planned Revenue from Utility Fee</b>
2012	\$11.70	2.5%	\$36.3 million
2013	\$11.93	2%	\$37.0 million
2014	\$12.17	2%	\$37.8 million
2015	\$12.41	2%	\$38.5 million
2016	\$12.65	2%	\$39.3 million

### Stormwater Fund Revenues (in thousands of dollars)



■ Grants, Spec. Asmts, Misc Rev, etc.      ■ Charges for Service-Operating  
■ Proceeds of Long Term Liabilities      ■ Charges for Service-Capital

### Total Active Sewer Property Types

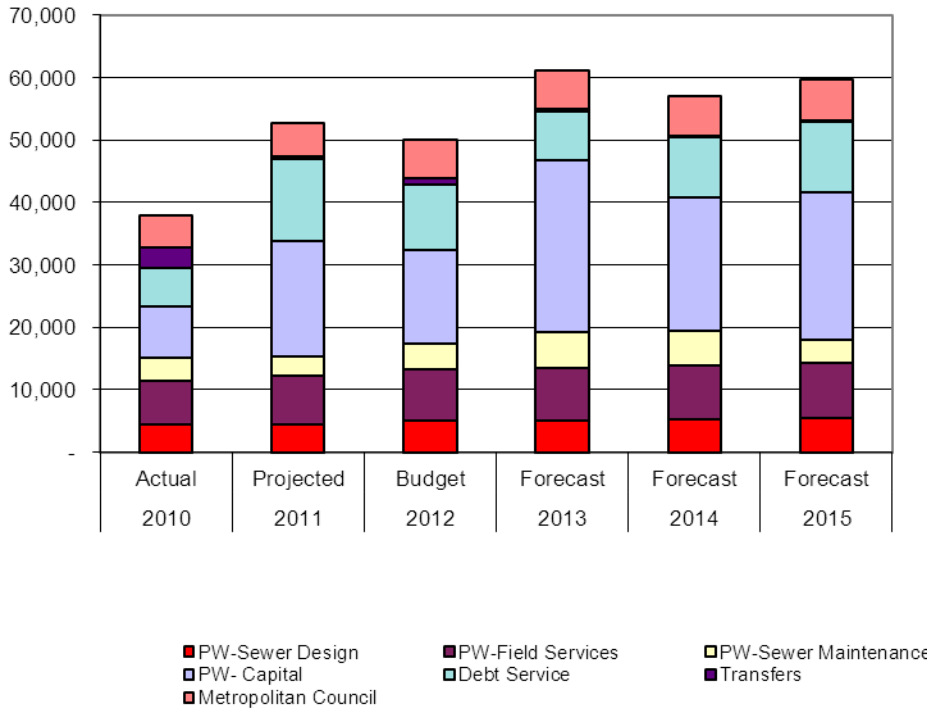


Total Usage Units (in millions)	
Property Type	Count
Residential	4,447
Commercial	5,277
Government	1,106
Industrial	80
Multiple Dwelling	4,413
<b>Total</b>	<b>15,352</b>

### Expenditures

The 2012 total expenditure budget for the Storm Water Fund amounts to \$50 million compared to \$52.6 million projected for 2011, a decrease of 5%. This amount funds operations, capital programs, debt services and the pension fund. The fund's operating budget is used for design, maintenance, overflow programs, Met Council payments, and street cleaning. The operating budget for 2012 totals \$23.5 million which is \$3 million higher than the \$20.5 million projected for 2011. Capital programs are estimated at \$14.8 million compared to \$18.5 million projected for 2011. Capital programs are funded by operating revenue and bonds and for 2012, \$5.8 million of capital projects are based on Storm revenue and the remaining \$9 million are bond funded.

### Stormwater Fund Expenditures (in thousands of dollars)



#### *Combined Sewer Overflow (CSO)*

Combined Sewer Overflow project started in 2004. Working with property owners, this project aims to identify and disconnect roof drain system from the sanitary system. This is an on-going program and \$921,000 has been allotted for 2012 from operating budget with additional funding coming from the Capital programs.

#### *Debt Service & Transfers*

The debt service payments are primarily for bonds that have already been sold to finance the Combined Sewer Overflow (CSO) program and flood mitigation programs. For 2012, debt service payments are estimated at \$10.5 million compared to \$13.1 million projected for 2011. Transfers relating to MERF pension plan are made to the pension fund, and for 2012, these transfers are estimated at \$1.1 million compared to \$478,000 for 2011. Both the debt service and transfers are funded through fund balance generated by Storm Water revenues.

#### **Mayor's Recommended Budget**

The Mayor recommended no changes.

#### **Council Adopted Budget**

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The Council adopted the Mayor's recommendations.

**City of Minneapolis  
2012 Budget  
Financial Plan (in thousands of dollars)**

**Stormwater Sewer Fund - 7300**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Federal Government									
State Government	731	1,148	1,022	1,022	670	-34.5%	670	670	670
Local Government	297	266	442	442	246	-44.5%	246	246	246
Charges for Service-Operating	32,011	34,543	33,971	35,448	36,323	2.5%	37,043	37,794	38,545
Design & Misc Revenues	3,460	1,650	1,376	1,376	1,392	1.2%	2,470	1,695	1,990
Charges for Sales	-	35	10	10	-		-	-	-
Special Assessments	498	686	60	634	60	-90.5%	60	60	60
Interest	-	-	-	-	-		-	-	-
Charges for Service-Capital	1,375	1,557	3,000	1,403	3,000	113.8%	3,000	3,000	3,000
Proceeds of Long Term Liabilities	7,473	6,191	10,500	6,238	9,000	44.3%	20,750	14,888	16,880
<b>Total</b>	<b>45,843</b>	<b>46,075</b>	<b>50,381</b>	<b>46,573</b>	<b>50,690</b>	<b>8.8%</b>	<b>64,238</b>	<b>58,352</b>	<b>61,391</b>
<b>Use of Funds:</b>									
PW-Sewer Design	3,874	4,434	5,186	4,518	5,114	13.2%	5,119	5,278	5,441
PW-Field Services	7,242	6,994	8,040	7,779	8,056	3.6%	8,344	8,642	8,951
PW-Sewer Maintenance	2,242	3,651	2,933	2,939	4,265	45.1%	5,835	5,429	3,526
Metropolitan Council	4,577	5,121	5,581	5,285	6,089	15.2%	6,234	6,381	6,533
Debt Service	8,805	6,208	6,024	13,114	7,400	-43.6%	3,154	3,065	3,029
Future Debt Service	-	-	4,890	-	3,111		4,671	6,468	8,124
Transfers	837	3,311	478	478	1,112	132.6%	286	286	286
PW- Capital	5,235	8,214	17,270	18,525	14,850	-19.8%	27,500	21,538	23,810
<b>Total</b>	<b>32,812</b>	<b>37,933</b>	<b>50,402</b>	<b>52,637</b>	<b>49,997</b>	<b>-5.0%</b>	<b>61,143</b>	<b>57,087</b>	<b>59,700</b>
<b>Change in Net Assets</b>	<b>13,032</b>	<b>8,142</b>	<b>(22)</b>	<b>(6,065)</b>	<b>692</b>		<b>3,095</b>	<b>1,264</b>	<b>1,691</b>
<b>Net Asset Balance</b>	<b>257,057</b>	<b>267,781</b>	<b>267,759</b>	<b>261,716</b>	<b>262,408</b>		<b>265,504</b>	<b>266,768</b>	<b>268,459</b>
<b>Cash Balances</b>	<b>14,445</b>	<b>22,676</b>	<b>22,655</b>	<b>16,610</b>	<b>15,351</b>		<b>18,447</b>	<b>19,711</b>	<b>21,402</b>
Operating Cash									
Construction Cash	7,235	3,484							
<b>Total Cash Balance</b>	<b>21,680</b>	<b>26,160</b>	<b>22,655</b>	<b>16,610</b>	<b>15,351</b>		<b>18,447</b>	<b>19,711</b>	<b>21,402</b>

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Water Fund**

**Background**

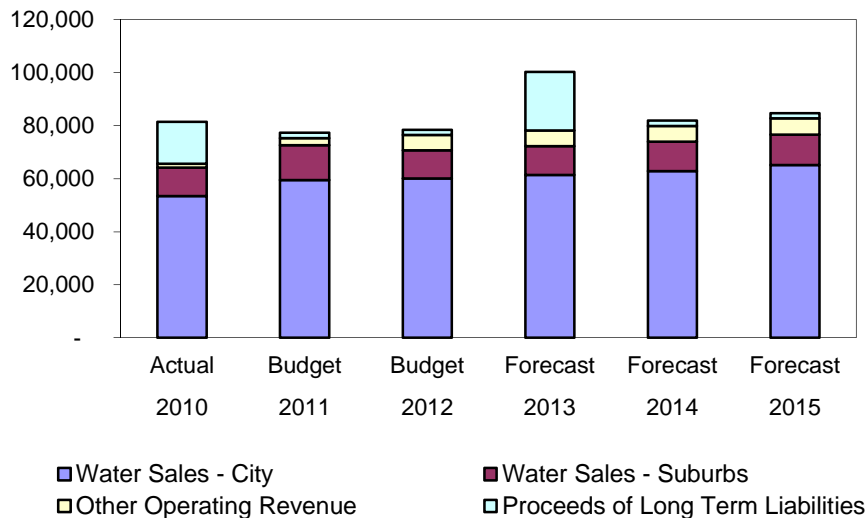
The Water Fund accounts for the operation, maintenance and capital program of the water treatment and distribution system for the City and several suburban city customers. The City currently sells water to seven cities including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, Edina, and Metropolitan Airport Commission.

**Historical Financial Performance**

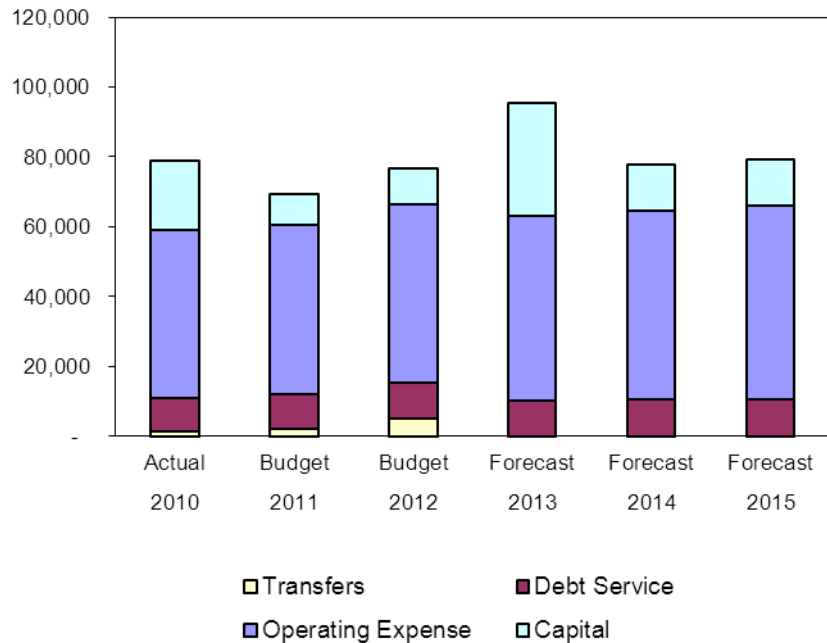
The net assets of the Water Fund have increased over the past several years due primarily to scheduled rate increases and major capital improvements. The following table shows the revenue earned from Minneapolis and suburban sales for years 2009-2010 and 2011 projected revenue:

Source of Revenue	2009	2010	2011 Projected
Bloomington	\$3,302,000	\$3,543,587	\$3,777,707
Columbia Heights	1,032,000	1,156,604	1,194,177
Hilltop	127,000	106,734	69,339
Joint Water Commission	6,732,000	5,694,488	6,752,876
Edina	267,000	194,026	205,450
MAC	N/A	N/A	841,060
<b>Total Suburban</b>	<b>\$11,460,000</b>	<b>\$10,695,439</b>	<b>\$12,840,608</b>
Minneapolis	\$52,750,000	\$53,167,300	\$52,796,878
<b>Total Revenue</b>	<b>\$64,210,000</b>	<b>\$63,862,739</b>	<b>\$65,637,486</b>

**Water Fund Revenues  
(In thousands of dollars)**



**Water Fund Expenses  
(In thousands of dollars)**

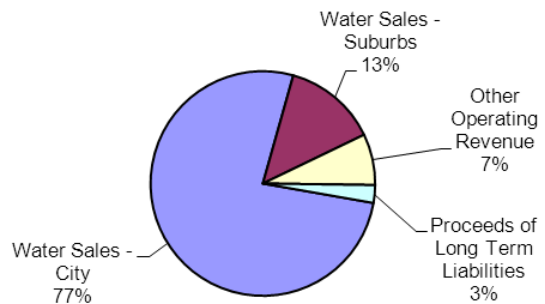


**2012 Budget**

*Revenues*

The 2012 revenue budget of \$78.4 million is 12.5% higher than the 2011 projected revenue of \$69.7 million. There are projected rate increases for years 2012-2015 to pay debt service for the capital expenses, as well as to cover anticipated growth in operating expenses and to repair infrastructure. Rate increases may not result in increased revenue due to variable water consumption. A long-term trend has shown that Minneapolis water consumption has decreased over the past several years.

**Source of Funds  
\$78.4 Million**

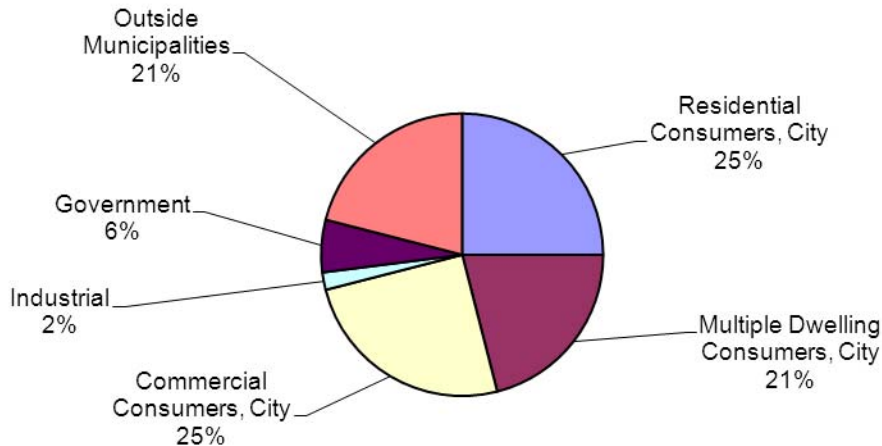


*Water Utility Rates*

The budget includes a fixed rate charge based on meter size as well as a variable rate charge of \$3.20/unit. The fixed rate charge will help to cover the high fixed costs of operating the utility. This will increase the utility's financial stability as it continues to operate in an environment of declining consumption due to conservation efforts.



**Charges for Service by Customer Consumption  
(Based on 2010 Consumption)**



<sup>1</sup> Rate is based on cost per 100 cubic feet and assumes 8 units of water are consumed per month for a 5/8" meter. The fixed rate increases as the meter size increases.

Year	Fixed Rate (5/8" Meter)	Rate (cost per 100 cubic feet)	Cost Per Month for Average Consumer <sup>1</sup>	Variable % Increase	Total Cost Increase	Total Planned Revenue from Utility Fee
2012	\$2.00	\$3.20	\$27.60	0.00%	\$2.00	\$60.0 Million
2013	\$2.00	\$3.31	\$28.48	3.40%	\$0.88	\$61.4 Million
2014	\$2.00	\$3.43	\$29.44	3.60%	\$0.96	\$62.9 Million
2015	\$2.00	\$3.53	\$30.24	2.90%	\$0.88	\$63.9 Million
2016	\$2.00	\$3.64	\$31.12	3.10%	\$0.88	\$65.0 Million

The following table shows the projected revenue earned from suburban utility sales:

Year	Combined Average Rate	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2012	\$2.10	0%	\$10.6 Million
2013	\$2.17	3.5%	\$10.8 Million
2014	\$2.25	3.5%	\$11.1 Million
2015	\$2.32	3.0%	\$11.3 Million
2016	\$2.39	3.0%	\$11.5 Million

**Expenses**

The 2012 expense budget is \$77.8 million, a 16% increase over the 2011 projected expense of \$67 million. The budget provides funding for the capital improvement program. Current capital projects include improvements to the water distribution network, treatment infrastructure improvements and a \$25 million multiyear project to replace the current dewatering plant which uses centrifuges with new filter presses which will improve efficiency and reduce operating

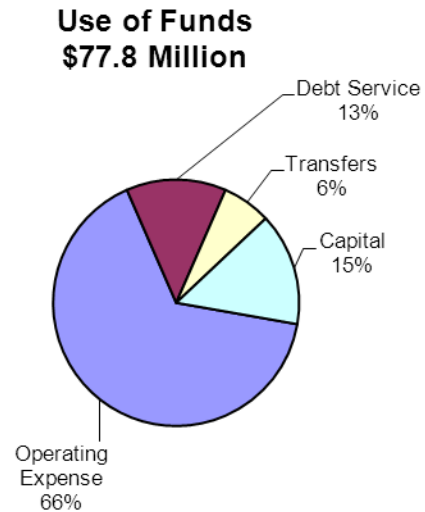
costs. The 2012 capital budget is \$11.5 million and represents a 27.9% increase from the 2011 capital budget.

#### *Transfers*

The Water Fund incurs a transfer expense related to its share of the Minneapolis Employee Retirement Fund (MERF) pension obligations. There will be \$5 million transferred to the bond redemption fund to cover the liability obligations related to Water Fund employees that have retired under the MERF pension plan.

#### *Debt Service*

The debt service total of \$10.2 million is primarily for bonds and notes sold to finance the Water-Works Capital Construction program.



#### **Mayor's Recommended Budget**

The Mayor recommended no changes.

#### **Council Adopted Budget**

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.20.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (In thousands of dollars)**  
**Water Fund - 7400**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Water Sales - City	52,750	53,459	59,455	52,797	60,574	14.7%	61,456	62,859	65,099
Water Sales - Suburbs	11,460	10,695	13,141	12,841	10,081	-21.5%	10,822	11,069	11,463
Other Operating Revenue	2,358	1,508	2,717	2,106	4,794	127.6%	5,875	5,963	6,143
Proceeds of Long Term Liabilities	17,831	15,692					22,000	2,000	2,000
Transfers									
From Sewer Fund for Meter Shop					994				
Reimbursed Capital Revenue		365	2,000	2,000	2,000				
<b>Total</b>	<b>84,399</b>	<b>81,719</b>	<b>77,313</b>	<b>69,744</b>	<b>78,443</b>	<b>12.5%</b>	<b>100,153</b>	<b>81,891</b>	<b>84,705</b>
<b>Use of Funds:</b>									
Operating Expense	46,252	47,916	48,377	45,918	51,106	11.3%	52,777	54,095	55,471
Debt Service	9,924	9,518	10,063	10,063	10,226	1.6%	10,318	10,405	10,640
Future Debt Service		-	-	-	-		1,538	1,538	1,538
Transfers									
To Debt Service for MERF Liability	1,071	1,258	2,042	2,042	4,992	144.5%	-	-	-
To Debt Service - Other		249	-	-	-		-	-	-
Capital	25,909	19,762	9,000	9,000	11,510	27.9%	32,325	13,300	13,300
<b>Total</b>	<b>83,156</b>	<b>78,703</b>	<b>69,482</b>	<b>67,023</b>	<b>77,834</b>	<b>16.1%</b>	<b>96,958</b>	<b>79,338</b>	<b>80,949</b>
<b>Water Works Fund Margin</b>	<b>1,484</b>	<b>3,016</b>	<b>7,831</b>	<b>2,721</b>	<b>609</b>		<b>3,195</b>	<b>2,553</b>	<b>3,756</b>
<b>Water Net Assets</b>	<b>159,640</b>	<b>176,894</b>	<b>179,910</b>	<b>179,615</b>	<b>180,224</b>		<b>183,419</b>	<b>185,972</b>	<b>189,728</b>
<b>Cash Balance</b>	<b>(2,007)</b>	<b>11,657</b>	<b>19,487</b>	<b>16,093</b>	<b>16,548</b>		<b>19,606</b>	<b>22,022</b>	<b>24,228</b>

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Public Works Stores Fund**

**Background**

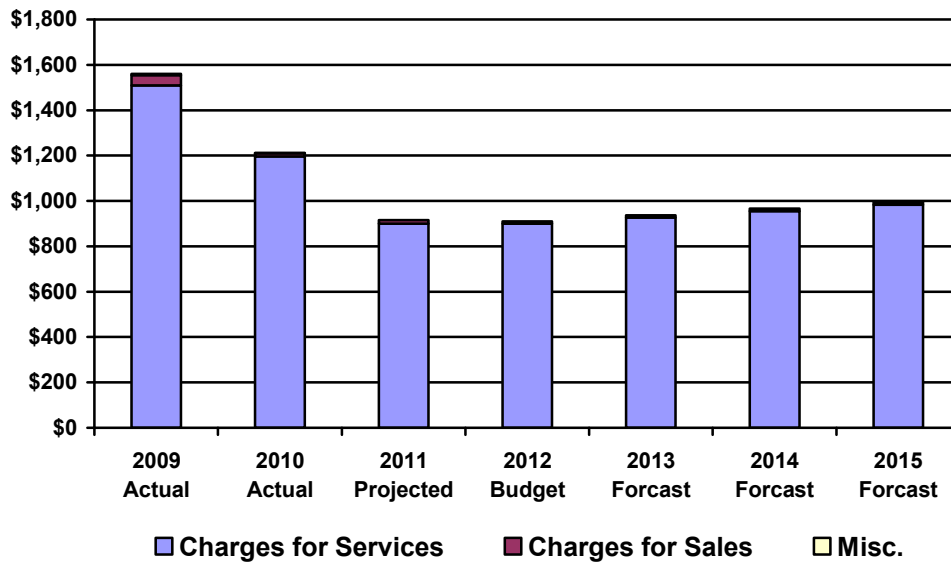
The Public Works Stores Fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items and the purchase of special goods and services through Central Stores and Public Works Traffic stores. In April 2011, Central Stores was transitioned from the Public Works department to become a cost center within the Department of Finance. Central Stores remains an internal service division and transactions are recorded to the Public Works Stores Fund.

**Historical Financial Information**

Public Works operated Central Stores beginning January 1965. At that time, the stockrooms of property services, bridge maintenance, paving construction, and sewer construction and maintenance were combined to establish a central stores operation. In 1980, Central Stores began purchasing the City's office supplies and non-specialty items. Public Works Traffic Stores purchases components for traffic signals, controllers, and street lights.

A revised overhead structure implemented in 1998, resulted in positive net income for years 2000 through 2007. For year ending 2009, PW Stores recorded net income of \$318,000. The net income for 2010 was \$20,000.

**Public Works Stores Revenue**  
(in thousands of dollars)



## 2012 Budget

### Revenues

Revenues for 2012 are budgeted at \$910,000, a decrease of 0.5% from the 2011 projected revenue of \$915,000. Revenues for 2012 are not expected to be sufficient to cover expenses of the fund. This deficit is partially due to the large increase in the payment for Minneapolis Employees Retirement Fund (MERF) debt service in 2012. In addition, the fund has experienced a decline in revenue earned from processing orders for goods for City departments. The majority of orders for goods that are not inventoried are processed by the Finance Department.

### Expense

The 2012 expense budget of \$1.2 million is an 11.1% increase from the 2011 projected expense of \$1.1 million. The primary reason is the debt payment related to MERF which increased from \$51,000 in 2011 to \$117,000 in 2012.

### Transfers

The 2012 budget includes a transfer out of \$117,000 for debt service related to the MERF unfunded pension liability. The City will retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase in this debt payment for the proprietary funds. The Public Works Stores Fund will use fund balance as the revenue source for this payment.

### Debt Service

This fund does not have long-term debt.

### Net Assets and Cash Balance

The year-end net asset balance for 2010 was \$3.3 million, an increase of \$20,000 from the ending net asset balance of \$3.2 million in 2009. The fund has experienced a negative cash balance since year-end 2006 when the balance was a deficit of \$0.9 million. In 2009, the deficit increased to \$1.6 million and in 2010, the cash balance improved to a deficit of \$826,000.

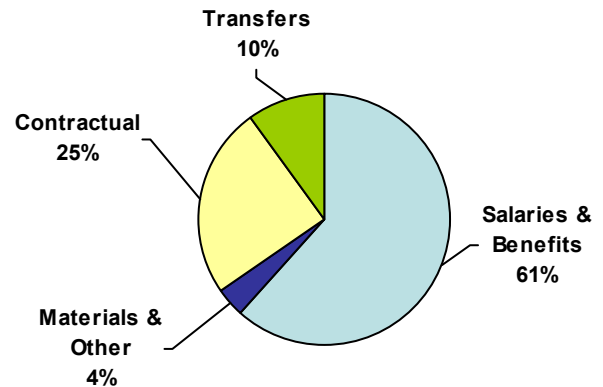
### Mayor's Recommended Budget

The Mayor recommended no changes to this fund.

### Council Adopted Budget

The Council adopted the Mayor's recommendations.

**Public Works Stores Funds  
Use of Funds  
(\$1.2 million)**



**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousand of dollars)**  
**PW Stores Fund - 06300\***

	2009	2010	2011	2011	2012	% Chg	2013	2014	2015
	Actual	Actual	Budget	Projected	Budget	From 2011	Forecast	Forecast	Forecast
						Projected			
<b>Source of Funds:</b>									
Changes for Services	1,510	1,196	1,087	900	900	0.0%	927	955	983
Charges for Sales	45	15	20	15	10	-33.3%	10	11	11
Misc Revenues	5	1	-	-	-	0.0%	-	-	-
<b>Total</b>	<b>1,560</b>	<b>1,211</b>	<b>1,107</b>	<b>915</b>	<b>910</b>	<b>-0.5%</b>	<b>937</b>	<b>965</b>	<b>994</b>
<b>Use of Funds:</b>									
Salaries and Fringes	811	730	675	680	723	6.4%	745	767	791
Contractual Services	342	376	302	302	293	-2.9%	302	311	320
Materials and Other	55	52	41	25	42	66.6%	43	44	46
Transfers	34	33	51	51	117	129.4%	-	-	-
<b>Total</b>	<b>1,242</b>	<b>1,191</b>	<b>1,069</b>	<b>1,058</b>	<b>1,175</b>	<b>11.1%</b>	<b>1,090</b>	<b>1,122</b>	<b>1,156</b>
<b>Change in Net Assets</b>	<b>318</b>	<b>20</b>	<b>38</b>	<b>(143)</b>	<b>(265)</b>		<b>(152)</b>	<b>(157)</b>	<b>(162)</b>
<b>Net Assets</b>	<b>3,203</b>	<b>3,223</b>	<b>3,261</b>	<b>3,080</b>	<b>2,816</b>		<b>2,663</b>	<b>2,506</b>	<b>2,345</b>
<b>Cash Balance</b>	<b>(1,566)</b>	<b>(826)</b>	<b>(788)</b>	<b>(969)</b>	<b>(1,233)</b>		<b>(1,386)</b>	<b>(1,543)</b>	<b>(1,704)</b>

\* This fund includes Cental Stores (Department of Finance) and Public Works Traffic Stores.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Engineering Materials and Testing Fund**

**Background**

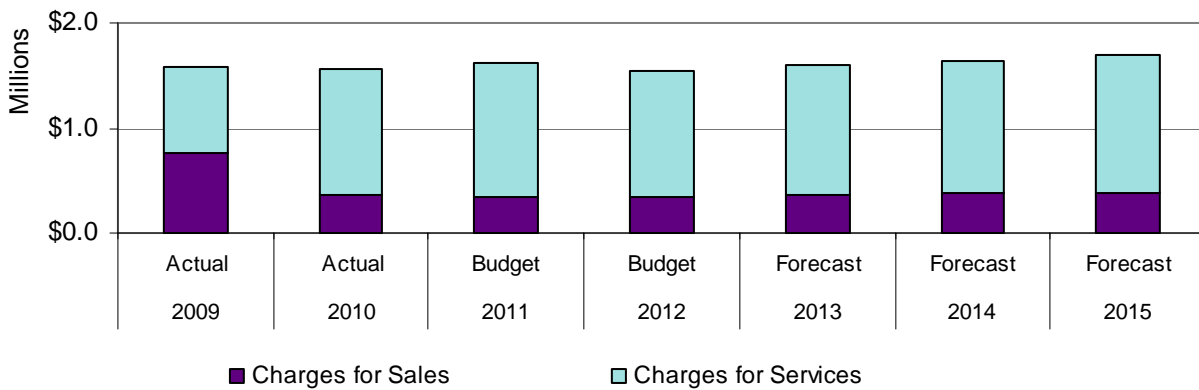
The Engineering Materials and Testing Fund accounts for City purchases of hot-mix asphalt and ready-mix concrete in order to ensure compliance with State and Federal standards and specifications and provide quality control of these materials. The Engineering Laboratory is a component of this fund which provides inspection and testing services and maintains a laboratory for testing construction materials, performing geotechnical evaluations, and coordinating related environmental field services.

**Historical Financial Performance**

The revenue sources for this fund include overhead charged on the procurement of hot-mix asphalt and ready-mix concrete materials along with fees for inspection and testing services by the Engineering Laboratory.

The decision to suspend operations at the asphalt plant at the end of 2003 resulted in a \$777,000 loss on the disposal of this asset and a decrease in net assets of \$709,000. From 2003 through 2008, this fund had a decrease in net assets of \$1.5 million of which \$777,000 is due to the loss on the disposal of the asphalt plant. In 2010, the net assets increased \$245,000 bringing the ending balance from \$490,000 in 2009 to \$735,000 in 2010. The cash balance increased from a balance of \$560,000 in 2009 to a balance of \$802,000 in 2010.

**Engineering Materials and Testing Revenues**



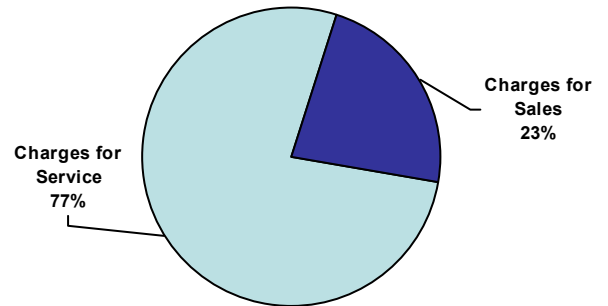
**2012 Budget**

*Revenues*

The 2012 revenue budget is \$1.6 million, a 10.3% decrease from the 2011 projected revenue. This fund generates revenue from testing and inspection services provided by the Engineering Lab and the sale of concrete and asphalt from outside vendors to other City departments. Product types and quantities are identified for customer departments. An allocation model determines product costs to allow the fund to generate revenues that match operating expenditures.

With the implementation of the new financial accounting system in 2008, the recording of revenue earned from asphalt and concrete sales was modified to include only the revenue generated from the mark up overhead added to the cost of the product. Previously, revenue was recorded as the cost of the goods plus the markup. The 2012 revenue budget includes \$1.2 million earned from charges for services provided by the Engineering Lab and \$352,000 as mark up on the sale of asphalt and concrete.

**Source of Funds  
(\$1.6 million)**



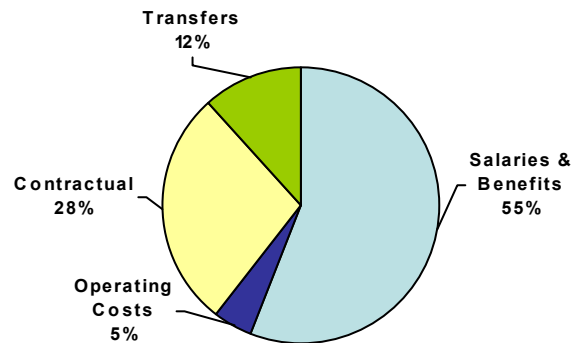
*Expenditures*

The 2012 expense budget is \$1.7 million, an increase of 26.3% from the 2011 projected budget. The increase is primarily due to the transfer out for MERF related debt.

*Transfers*

The 2012 budget includes a transfer out of \$195,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability. The City determined to retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase to this debt payment for the proprietary funds. The Engineering Lab and Materials Fund will use fund balance as a revenue source for this payment.

**Use of Funds  
(\$1.7 million)**



*Debt Service*

This fund does not have long-term debt.

**Mayor’s Recommended Budget**

The Mayor recommended no changes.

**Council Adopted Budget**

The Council adopted the Mayor’s recommendations.



**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousands of dollars)**

**Engineering, Materials and Testing - 06000\***

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Charges for Services	830	1,194	1,261	1,350	1,200	-11.1%	1,236	1,273	1,311
Charges for Sales	760	371	352	380	352	-7.4%	363	373	385
<b>Total</b>	<b>1,590</b>	<b>1,565</b>	<b>1,613</b>	<b>1,730</b>	<b>1,552</b>	<b>-10.3%</b>	<b>1,599</b>	<b>1,647</b>	<b>1,696</b>
<b>Use of Funds:</b>									
Personnel Services	747	761	900	820	923	12.6%	951	979	1,009
Contractual Services	273	390	434	358	458	27.9%	472	486	500
Materials and other	36	102	134	45	80	77.8%	85	87	89
Transfers Out	58	57	88	88	195	121.6%	-	0	0
<b>Total</b>	<b>1,114</b>	<b>1,310</b>	<b>1,556</b>	<b>1,311</b>	<b>1,656</b>	<b>26.3%</b>	<b>1,506</b>	<b>1,551</b>	<b>1,597</b>
<b>Change in Net Assets</b>	<b>462</b>	<b>245</b>	<b>57</b>	<b>419</b>	<b>(103)</b>	<b>0.0%</b>	<b>92</b>	<b>95</b>	<b>99</b>
<b>Net Assets</b>	<b>490</b>	<b>735</b>	<b>792</b>	<b>1,154</b>	<b>1,051</b>		<b>1,143</b>	<b>1,238</b>	<b>1,338</b>
<b>Cash Balance</b>	<b>560</b>	<b>802</b>	<b>859</b>	<b>1,221</b>	<b>1,118</b>		<b>1,210</b>	<b>1,305</b>	<b>1,405</b>

\* This fund includes the Public Works divisions Engineering Lab, Asphalt Distribution, and Ready-Mix Concrete.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Intergovernmental Services Fund**

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**Background**

The Intergovernmental Services Fund accounts for all of the operations of the Business Information Services Department (BIS) including information and technology functions, the managed services contract with Unisys, the Project Management Division (PMD), and telecommunications operations. The total of BIS activities accounts for 94.5% of the operating activities in the Fund. The fund also records transactions for operations within the City Clerk's office related to central mailing and printing services, representing 4.6% of operating activities. A portion of the Human Resources budget that is designated for internal training is included in this fund, representing 0.9% of operating activities.

The City Council approved a long-term financial plan for the Intergovernmental Services Fund in September 2000, to resolve both the annual operating deficit and accumulated cash deficits for this fund. Since year-end 2002, the fund has achieved positive increases to the net asset balance bringing the balance from a deficit of (\$40.8) million in 2002 to a positive net asset position of \$16.9 million in 2010. For 2011, the fund is projected to increase net assets by \$2.0 million for an ending balance of \$18.9 million, ahead of the updated long-term financial plan projection of \$18.4 million at year-end 2011.

The deficit in this fund was partially due to debt issued to finance technology purchases. The long-term financial plan addressed this issue by providing cash transfers to pay off the debt. In 2009, \$16.8 million of bonds were refunded and in 2010 another \$4.56 million of bonds were refunded resulting in interest savings of \$.59 and \$.16 million respectively which helped to reduce the deficit. Debt service payments of \$10.7 million for 2011 and \$9.6 million for 2012 will extinguish all debt related to the past deficits. By 2013, the debt outstanding will be \$1.84 million and will be paid for with transfers from the bond redemption levy.

In 2010, BIS incurred nearly \$11.9 million of expense for technology projects. The PMD office charges City departments for the cost of purchasing or creating technology enhancements and provides quality, low-cost project management for implementing these technology-related projects. The charges to City departments are calculated to generate enough revenue to cover the overhead expense of the department. In addition, the City Council appropriated \$1.0 million for technology projects in 2011 and the Mayor recommended \$1.275 million for 2012 funded through net debt bonds. The majority of the funding for technology projects are derived from grants and City departments operating budgets.

This fund continues to be active with new initiatives:

- **Citywide:** *First-of-a-Kind*, The City is participating in the IBM First-of-a-Kind project to create solutions for cross department coordination leveraging analytics and optimization, business process modeling and asset management technologies. These advanced technology solutions will leverage the citywide wireless network, Strategic Information Center, and camera infrastructure already in place at the City of Minneapolis.
- **Department Specific:** *Enterprise Land Management*, The City will acquire and implement a system that will provide workflow automation and transaction processing for the City's emergency response resource management, regulatory enforcement, inspections,

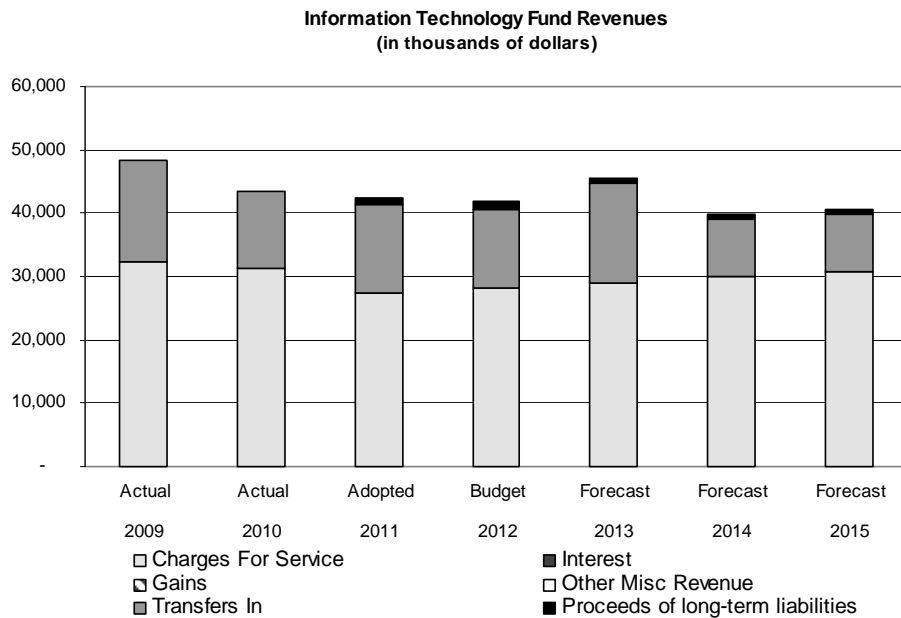
permitting, development, planning, and constituent self-service and other land management and reporting processes, among many other department-specific projects.

The net asset position in this fund will increase as it continues to provide services to City departments with charges determined through its allocation model and collect fees for service with PMD. The allocation model assigns costs to customers on a “level of effort” basis and began charging customer departments the allocated rates in 2005.

**Historical Financial Performance**

Net assets were affected by the realignment of fixed assets and its related debt to the Intergovernmental Services Fund. This change in accounting caused a one-time adjustment to the fund's net assets of a negative \$21.7 million. Although this negative adjustment caused fund net assets to have a balance of negative \$40.8 million at year-end 2002, it better represents the financial condition of the fund and the importance of implementing the strategies to meet the guidelines of the financial plan. This trend has been reversed: at year-end 2010, net assets improved to \$16.9 million.

The long-term financial plan projected the net asset balance at year-end 2010 to increase \$8.9 million from \$800,000 at year end 2009 to \$9.7 million. The actual net asset balance at year-end 2010, \$16.9 million, represents an increase of \$12.0 million from the 2008 ending balance. The fund's cash balance has also increased as projected in the long-term financial plan. From 2003 to 2010 the cash balance increased by \$11.7 million from a deficit of \$3.2 million to a positive of \$8.4 million at year-end 2010.



**2012 Budget**

*Revenues*

The 2012 revenue budget is \$41.9 million, a decrease of 8.4% from 2011 projected. To fund the cost of providing information technology services, the financial plan required that the annual transfer from the general fund receive an increase of \$0.9 million each year from 2005 through

2008, minus the reductions to growth in those years. In 2009, the fund received \$13.6 million from the general fund and \$2.5 million from the bond redemption fund. The budget for 2010 includes a decrease of \$4.0 million to the transfer from the General Fund. Total transfer to the fund in 2012 is \$12.4 million including \$10.3 million from the general fund, \$1.1 million from the bond redemption fund and \$1.0 million from the Self Insurance fund.

Charges for service are increased in 2012 reflected by the additional revenue received by City Departments through the allocation model and charges directly to City departments for additional BIS services.

*Allocation Model Implications*

The allocation model has five components on the customer expense side: BIS application support; BIS operating; telecommunications; data connectivity; and special customer specific services. Revenues generated through the allocation model will recover the following:

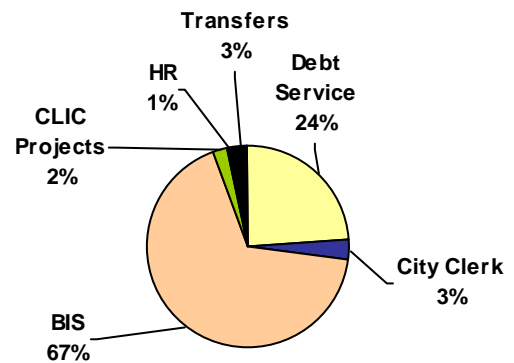
- BIS operating costs at a level that conforms to the Council-adopted financial plan.
- Debt service resulting from phone system purchase.
- A small portion for City Clerk data center operations and Human Resources operations.

Revenue Assumptions (2012)	
Number of PC's	2,678
Number of telephones	2,902

*Expenses*

Expenses in the Intergovernmental Services Fund are comprised of the operating expenses (salaries/benefits, contractual, operating, equipment) of BIS (94.5% of operating activities in the fund), a portion of the operating expenses of the City Clerk's office (4.6%), and Human Resources (0.9%). Capital expenditures for information technology investments are budgeted in the Intergovernmental Services Fund. Capitalized assets are reported in this fund as is the depreciation expense. The 2012 expense budget of \$40.2 million, a decrease of 8.1% from 2011 projected. In 2011, the fund began to pay \$1.5 million annually as loan repayment to the Convention Center, with final payment of \$1.75 million in 2016.

**Intergovernmental Services Fund  
Use of Funds by Department  
(\$40.2 million)**



*Transfers*

Transfers-in for 2012 relates to a transfer from the general fund of \$9.5 million to subsidize BIS debt service payments, \$0.3 million to fund city hall rent, \$0.5 million for the general fund wireless allocation, a \$1.1 million transfer from the general debt service fund, and \$1.0 million transfer from the Self Insurance Fund. BIS also has a transfer out (expense) of \$1.1 million for debt service related to the Minneapolis Employees Retirement Fund's (MERF) unfunded pension liability. The City will retire bonds related to this debt service in 2012 resulting in substantial savings, while creating a large one-time increase to this debt payment for the proprietary funds. The BIS Department will use fund balance as a revenue source for this payment and recover this cost through the allocation model.

### *Debt Service*

In 2012, the fund will have a beginning bond liability of \$11.1 million. A debt service payment of \$9.6 in 2012 including \$389,000 of interest will leave an ending balance of bonds payable of \$1.9 million at year end.

### *Net Assets and Cash Balance*

The financial policy related to the net asset balance for the Intergovernmental Services Fund determines that the net asset balance should not fall below two times the fund's annual depreciation. The annual depreciation for 2010 is \$11.0 million and the year-end net asset balance is \$16.9 million which brings the fund within \$5.0 million of benchmark amount of \$22.0 million. The financial policy for cash balance states that the minimum cash balance should be equal to 15.0% of the operating budget. The year end cash balance for 2010 is \$8.4 million and the fund had a 2010 operating budget of \$37.7 million resulting benchmark amount of \$5.7 million. At year end 2010, the fund's cash balance exceeded the benchmark by \$2.7 million.

### **Mayor's Recommended Budget**

The Mayor recommended an acceleration of the General Fund transfers to the Intergovernmental Services Fund from the adopted plan as well as an overall reduction of \$3.6 million over the life of the transfers based on the performance of the fund. The proposed transfer schedule is \$9.495M in 2012; \$13.280M in 2013; \$6.582M in 2014 and \$6.780 in 2015. By accelerating the transfer schedule, capacity is created in the near future to hold down property tax levy increases, while maintaining the financial integrity of the fund.

### **Council Adopted Budget**

The Council adopted the Mayor's recommendations.

**City of Minneapolis  
2012 Budget  
Financial Plan (in thousands of dollars)**

**Intergovernmental Services Fund**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Charges For Service	32,258	31,275	27,510	31,188	28,187	-9.6%	29,033	29,904	30,801
Other Miscellaneous Revenue	(99)	(78)	-	-	-		-	-	-
Operating Transfers In	16,115	12,245	13,974	13,539	12,407	-8.4%	15,745	9,028	9,007
Proceeds of Long term Liabilities	-	-	1,000	1,000	1,275	27.5%	800	850	900
<b>Total</b>	<b>48,274</b>	<b>43,442</b>	<b>42,484</b>	<b>45,727</b>	<b>41,869</b>	<b>-8.4%</b>	<b>45,578</b>	<b>39,782</b>	<b>40,708</b>
<b>Use of Funds:</b>									
Transfers	277	395	423	448	1,072	139.3%	-	-	-
Debt Service	10,816	9,438	9,703	10,713	9,604	-10.4%	768	736	504
City Clerk	1,157	1,342	1,133	1,174	1,303	11.0%	1,342	1,382	1,424
Human Resources	145	153	256	340	261	-23.4%	268	276	285
Business Information Services	26,777	26,443	26,396	30,061	26,674	-11.3%	27,524	28,326	29,150
Capital Projects	1,202	(39)	1,000	1,000	1,275	27.5%	800	850	900
<b>Total</b>	<b>40,374</b>	<b>37,732</b>	<b>38,911</b>	<b>43,736</b>	<b>40,188</b>	<b>-8.1%</b>	<b>30,702</b>	<b>31,570</b>	<b>32,263</b>
<b>Change in Net Assets</b>	<b>8,810</b>	<b>3,225</b>	<b>3,573</b>	<b>1,991</b>	<b>1,681</b>		<b>14,875</b>	<b>8,211</b>	<b>8,445</b>
<b>Net Assets</b>	<b>13,678</b>	<b>16,903</b>	<b>20,476</b>	<b>18,894</b>	<b>20,575</b>		<b>35,450</b>	<b>43,661</b>	<b>52,107</b>
<b>Cash Balance<sup>1</sup></b>	<b>1,699</b>	<b>8,438</b>	<b>10,511</b>	<b>8,929</b>	<b>9,110</b>		<b>19,585</b>	<b>23,396</b>	<b>27,442</b>
<b>Long Term Financial Plan Target Cash<sup>2</sup></b>	<b>16</b>	<b>1,693</b>	<b>2,566</b>	<b>2,566</b>	<b>3,503</b>		<b>9,653</b>	<b>13,889</b>	<b>16,144</b>
<b>Variance Cash to Financial Plan</b>	<b>1,683</b>	<b>6,745</b>	<b>7,945</b>	<b>6,363</b>	<b>5,607</b>		<b>9,932</b>	<b>9,507</b>	<b>11,298</b>

<sup>1</sup> The cash balance for years 2011 through 2015 is reduced by \$1.5 million for repayment of Minneapolis Convention Center loan, Convention Center; 2012 onward is reduced by \$9.4 million for unearned revenue and increased by \$6.5 million for notes receivable.

<sup>2</sup> The cash projections for 2009 onward are based on the updated long-term financial plan for this fund, adopted by Council in 2008.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Fleet Services Division Fund**

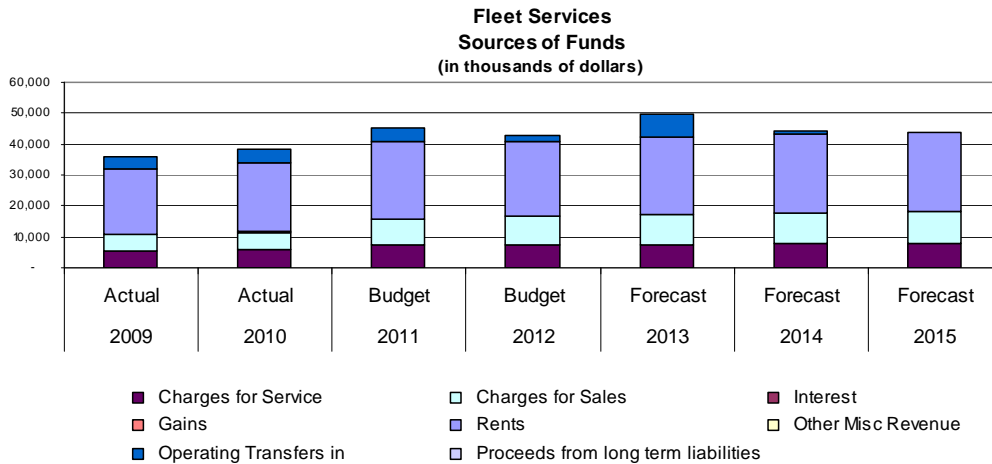
**Background**

The Fleet Services Division Fund manages the acquisition, maintenance and disposal of 1300 units of equipment; primarily the City's fleet of vehicles, including police cars, fire trucks, snow plows, sedans and pickup trucks along with off road equipment. This fund provides technicians to maintain the equipment as well as the drivers and operators for the equipment that is used in construction and snow removal. In addition, the fund manages the dispatch of City-owned and contractual equipment. The City's fleet of vehicles and equipment has an acquisition value of \$65.5 million and accounts for 48.3% of the net value of the long-term assets in this fund.

**Historical Financial Performance**

In 2000, the fund had a deficit cash position of \$17.8 million due to costs of operation exceeding revenues collected from City departments. A long-term financial plan was developed in 2001 to generate sufficient revenue to cover the full cost of operations. The fund maintained a positive cash balance through 2010 with the exception of the year ending 2008 when the cash balance was a deficit of \$49,000. The fund's 2010 year-end net asset balance of \$30.6 million represents an increase of \$4.1 million in net assets from the 2009 balance of \$26.5 million. The long-term financial plan projected a 2010 net asset balance of \$30.2 million. In 2010, a cash reserve policy was established for internal service funds directing the funds to maintain a minimum cash balance of 15% of the operating budget. The target cash reserve balance for this fund is \$4.3 million to be attained by year end 2013.

The original long-term financial plan financed fleet purchases by issuing general obligation bonds. Upgrading the fleet reduced the average age of the fleet, reducing maintenance costs in the fund. The fund continues to follow the plan to maintain a positive cash balance, increase net assets, and to end its reliance on bonds to fund the fleet purchases. In 2006, the practice of issuing bonds to finance fleet replacement was discontinued.

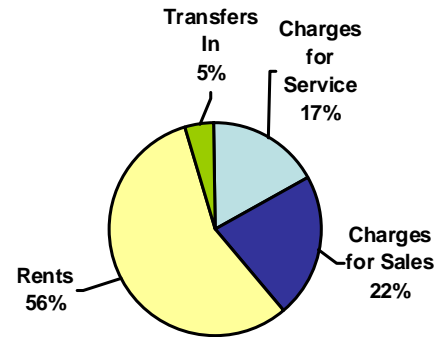


## 2012 Budget

### Revenue

The Fleet Services Division uses activity-based costing to bill internal customers for use of vehicles. This method establishes a fleet rental rate that covers the replacement cost of the vehicles after the useful life. Maintenance, repairs and fuel costs of the fleet are charged separately. These charges are billed at a rate that allows the Fleet Services Division to match revenue to expense. Total revenues for 2012 are budgeted at \$43.0 million, a decrease of 7.8% from the 2011 projected revenue of \$46.6 million. The decrease in projected revenue is due primarily to a decrease in the general fund transfer from \$4.3 million in 2011 to \$1.9 million in 2012 as part of the previously adopted schedule. An increase of 8.4% in revenue earned from sales, primarily from the sale of fuel, is projected in 2012.

Source of Revenue (\$43.0 million)

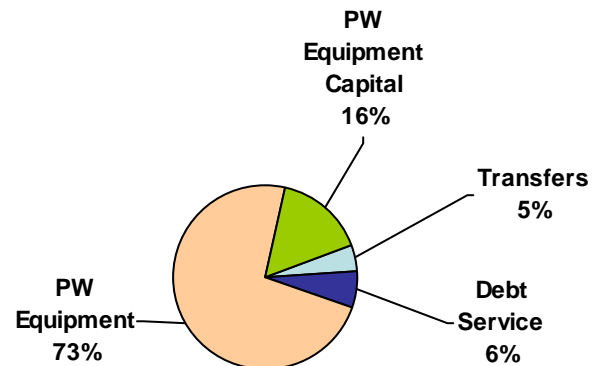


### Expense

The 2012 expense budget is \$48.9 million which represents an increase of 13.9% from the 2011 projected expense of \$42.9 million. The increase in expense is primarily due to an increase in capital spending for fleet replacement, from \$5.0 million in 2011 to \$7.9 million in 2012. The current plan is for 60 vehicles to be purchased to replace existing fleet.

Revenue Assumptions (2012)	
Number of vehicles serviced	1200
Number of vehicles purchased	60

Use of Funds (\$48.9 million)



### Transfers

The 2012 budget includes a transfer out of \$2.2 million for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability to retire bonds related to this debt service in 2012. This one-time large increase to this debt payment for the proprietary funds results in substantial savings to the City. The Fleet Services Division will use fund balance as a revenue source for this payment and will recover the cost of the payment through the Fleet allocation model for years 2012 through 2014.

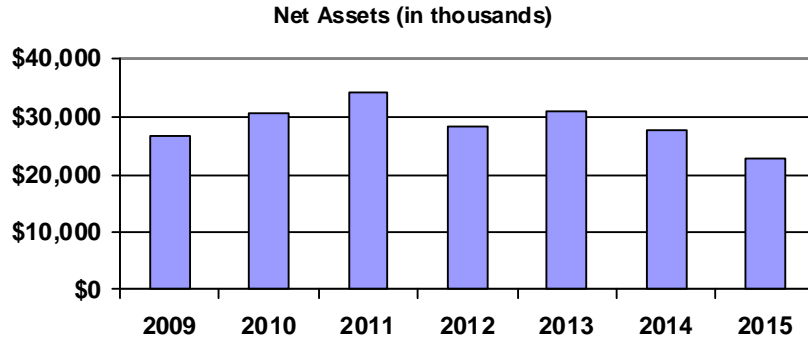
### Debt Service

As part of the fleet modernization effort that began in 1997, the City issued bonds to finance fleet upgrades and to build new maintenance facilities. In 2010, the City issued \$22.3 million of refunding bonds to refinance current debt at a lower interest rate. Principal and interest payments totaling \$3.0 million are due in 2012 related to these bonds.

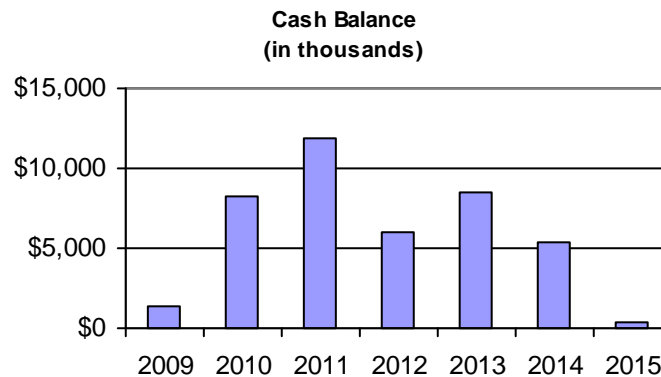


### Net Assets

A primary objective of the long-term financial plan is to increase the fund's net assets and the cash balance. The fund has steadily increased its net asset balance since 2003 when the financial plan was first implemented. The net asset balance at year-end 2010 was \$30.6 million, an increase of \$4.1 million from the 2009 ending balance of \$26.5 million. The financial policy for the Fleet Services Division net asset balance states that the value of net assets should not fall below two times the annual depreciation amount. The annual depreciation for Fleet Services in 2010 was \$6.5 million. The 2010 balance of \$30.6 million is \$17.6 million greater than the benchmark amount. The 2011 projected balance is \$34.3 million.



The 2010 ending cash balance of \$8.2 million is an increase of \$6.8 million from the 2009 ending balance of \$1.4 million. The target cash balance for 2010 as determined by the cash reserve policy is \$2.1 million. The 2011 projected balance is \$11.9 million. The following chart illustrates the historical and projected cash performance of the fund:



### Mayor's Recommended Budget

The Mayor recommended a modification to the 2011 Adopted transfer schedule from the General Fund in order to create capacity in those years which will keep property tax levy increases lower. The Mayor proposed the 2013 transfer to be \$7.186 million and the 2014 transfer to be \$1.129 million (the previously adopted plan was \$7.488 million in 2013 and \$827,000 in 2014).

### Council Adopted Budget

The Council adopted the Mayor's recommendations.

**City of Minneapolis  
2012 Budget  
Financial Plan (in thousand of dollars)**

**Fleet Services Division - 06100**

	2009	2010	2011	2011	2012	% Chg	2013	2014	2015
	Actual	Actual	Budget	Projected	Budget	From 2011 Projected	Forecast	Forecast	Forecast
<b>Source of Funds:</b>									
Charges for Service	5,608	5,850	7,446	7,600	7,346	-3.3%	7,566	7,793	8,027
Charges for Sales	5,274	5,586	8,252	8,500	9,218	8.4%	9,495	9,779	10,073
Gains	59	169	200	150	200	33.3%	200	200	200
Rents	20,781	22,378	24,789	26,000	24,254	-6.7%	24,982	25,731	25,603
Other Misc Revenue	119	136	30	25	10	-60.0%	10	10	10
Operating Transfers in	4,180	4,180	4,299	4,299	1,926	-55.2%	7,186	1,129	-
<b>Total</b>	<b>36,021</b>	<b>38,299</b>	<b>45,016</b>	<b>46,574</b>	<b>42,954</b>	<b>-7.8%</b>	<b>49,439</b>	<b>44,643</b>	<b>43,913</b>
<b>Use of Funds:</b>									
Debt Service	3,367	3,590	2,996	2,996	3,010	0.5%	3,011	2,911	2,752
Transfers	502	581	923	923	2,222	140.7%	-	-	-
PW Equipment	25,280	25,687	35,886	34,000	35,745	5.1%	36,843	37,944	39,079
PW Equipment Capital	5,454	1,687	4,500	5,000	7,909	58.2%	7,000	7,000	7,000
<b>Total</b>	<b>34,603</b>	<b>31,545</b>	<b>44,305</b>	<b>42,919</b>	<b>48,886</b>	<b>13.9%</b>	<b>46,854</b>	<b>47,855</b>	<b>48,831</b>
<b>Change in Net Assets</b>	<b>2,764</b>	<b>4,060</b>	<b>711</b>	<b>3,655</b>	<b>(5,932)</b>		<b>2,585</b>	<b>(3,212)</b>	<b>(4,918)</b>
<b>Net Assets</b>	<b>26,548</b>	<b>30,608</b>	<b>31,319</b>	<b>34,263</b>	<b>28,331</b>		<b>30,916</b>	<b>27,704</b>	<b>22,785</b>
<b>Cash Balance</b>	<b>1,377</b>	<b>8,235</b>	<b>8,946</b>	<b>11,890</b>	<b>5,958</b>		<b>8,543</b>	<b>5,331</b>	<b>412</b>
<b>Target Cash Reserve<sup>1</sup></b>	<b>1,377</b>	<b>2,108</b>	<b>2,838</b>	<b>2,838</b>	<b>3,569</b>		<b>4,300</b>	<b>4,300</b>	<b>4,300</b>
<b>Variance Cash to Target Cash Reserve</b>	<b>-</b>	<b>6,127</b>	<b>6,108</b>	<b>9,052</b>	<b>2,389</b>		<b>4,243</b>	<b>1,031</b>	<b>(3,888)</b>

<sup>1</sup> The target cash reserve policy for internal services establishes a minimum cash balance at 15% of the operating budget. The reserve amounts were determined April 2010.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Property Services Fund**

**Background**

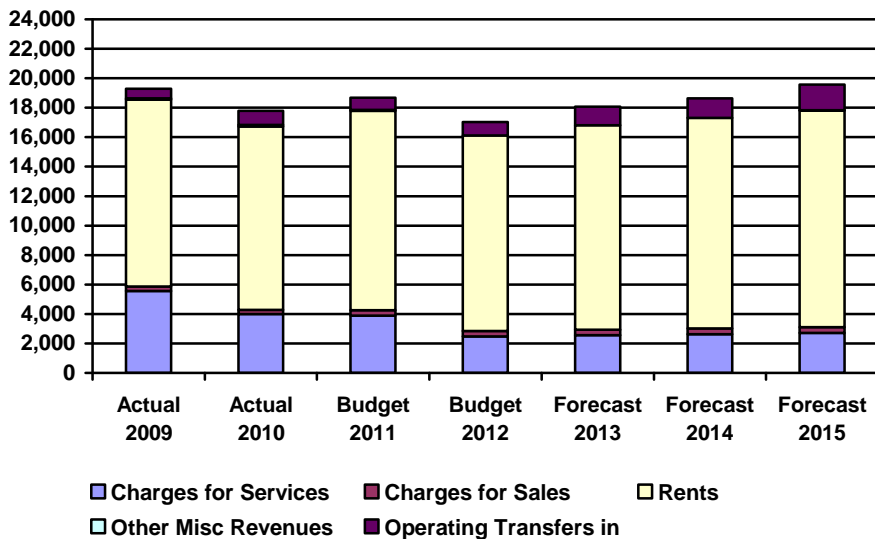
The Property Services Fund is an internal service fund responsible for the operations and maintenance for the majority of the City owned buildings including police precincts, fire stations, public works buildings, parking structures and specialty facilities. At this time, the fund does not provide any services to the Convention Center, City Hall, or the Minneapolis Park and Recreation Board facilities. The fund is also responsible for the Radio Shop which maintains the City’s emergency communications network and accounts for the coordination and management of special property projects. In 2004, the Property Services division assumed the responsibility for space and asset management and security management. In 2007, the division provided energy management for City properties.

In April 2011, the Property Services Fund was transitioned from the Public Works department to the Finance department within the City Coordinator. The activities in this fund will remain in an internal service fund and report to the Chief Financial Officer.

**Historical Financial Performance**

This fund collects revenue from the City departments that use its goods and services (building space, operational maintenance, security, space and asset management, energy management, janitorial and radio services). The proposed building and equipment rental rates charged to City departments are calculated through allocation models using historical and anticipated operational costs. The rate structure is configured to enable the fund to charge the amount required to recover the cost of the goods and services provided to City departments and the cost of the fund’s overhead.

**Property Services Revenues**  
(in thousands of dollars)

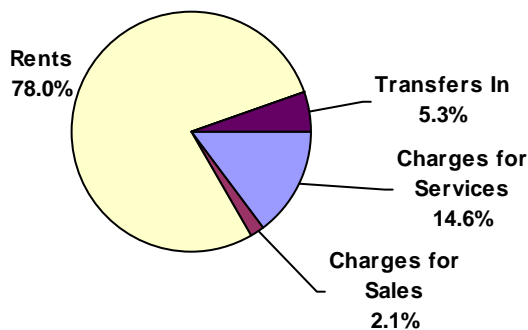


## 2012 Budget

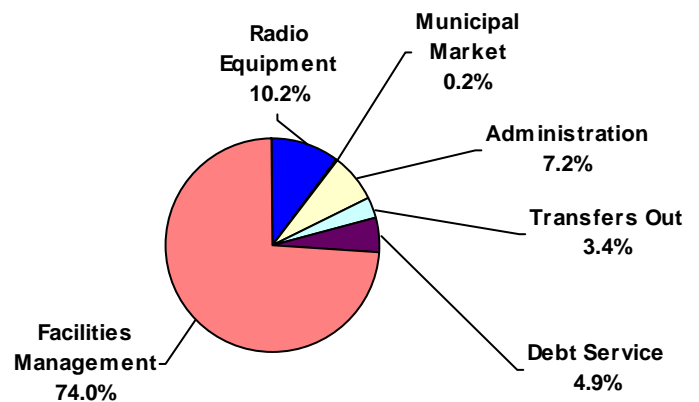
### Revenues

The 2012 revenue budget for this fund is \$17.0 million, or a decrease of 17.7% from projected 2011 of \$20.7 million. The decrease in revenue is primarily related to the transition of two departments within this fund, Development Properties and Parking Facilities, to other City departments, resulting in a loss of revenue to Property Services for the services that this fund previously provided. In addition, the fund expects a decline in the demand for additional elective services provided to City departments. Included in this division's revenue budget is \$4.2 million of pass-through rent revenue collected from City departments that occupy City Hall and is remitted to the Municipal Building Commission, a charge that began in 2009.

**Source of Funds  
(\$17 million)**



**Use of Funds  
(\$17.5 million)**



### Expense

The 2012 expense budget is \$17.5 million, a decrease of 13.9% from the projected 2011 of \$20.4 million. The decrease in expense is primarily related to the transition of two departments within the fund, Development Properties and Parking Facilities, to other City funds resulting in the elimination of costs related to maintaining these properties. In addition, operating expense are expected to decrease related to an anticipated decline in the demand for elective reimbursable services provided to other City departments. Included in this division's expense budget is \$4.2 million of pass-through cost for services provided by the Municipal Building Commission for maintaining the City's space in City Hall.

### Transfers

The 2012 budget includes a transfer out of \$598,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability. This payment will retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase in this debt payment for the proprietary funds. The Property Service Fund will fund this payment using cash that is recorded in the Property Disposition Fund, a fund that is included within the Property Services Fund. The Property Disposition fund will be reimbursed for this payment through revenue generated by the increasing the rents for City buildings as determined by the rent allocation model for years 2013 through 2015.

The fund receives a transfer of \$514,000 in 2012 from the general fund which includes the cost of the general fund's portion of the debt service related to the 800MHz emergency communications project. In addition, the fund receives a transfer of \$380,000 from the general fund to cover the cost of City Hall rent.

*Debt Service*

The radio shop, a division of the Property Services, has management responsibility for the \$14.0 million 800 MHz radio system. The Property Services Fund recognizes the fixed asset, along with the debt related to this project. The radio shop is funding a portion of the City's public safety initiative through a contribution of \$350,000 a year.

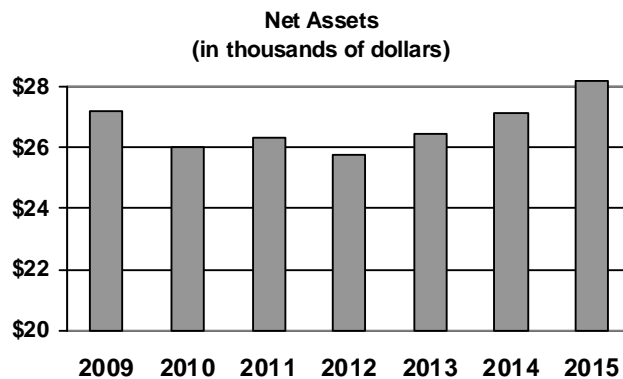
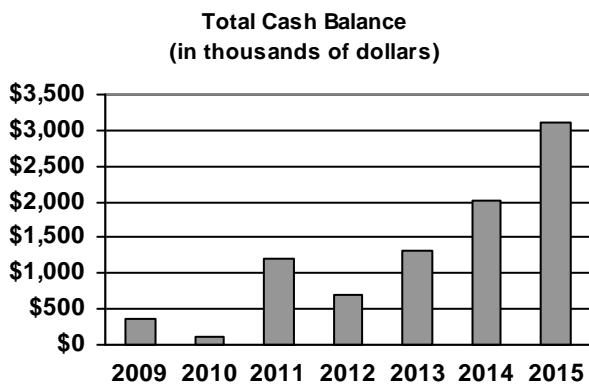
The debt service for 800 MHz radio system is funded as follows in 2012:

\$514,250	Transfer from the general fund
<u>\$350,000</u>	<u>Property services portion of debt</u>
\$864,250	Total debt service (Year 2012)

*Net Assets and Cash Balance*

The Property Services Fund has a positive net asset balance of \$26.0 million at year-end 2010, a decrease of \$1.2 million from the 2009 ending balance of \$27.2 million. The fund does not recover the cost of depreciation of the buildings or equipment which is included as assets of the fund. Because this cost is not recovered, the fund balance will continue to decline even though the fund recovers its operating costs through a rent allocation model. The financial policy for the net asset balance for the Property Services Fund determines that the value of net assets should not fall below two times the annual depreciation amount. The depreciation for Property Services in 2010 is \$1.1 million. The 2010 net asset balance of \$26.0 million is \$23.8 million greater than the benchmark amount.

The 2010 year-end cash balance is \$126,000, a decrease of 64.3% from the 2009 year-end balance of \$353,000. The projected 2011 ending cash balance is \$1.2 million which is a substantial increase from the 2011 budgeted amount of a deficit of \$195,000. The fund receives the proceeds from the sale of City property and records the proceeds in the Property Disposition fund. The sale of City property in 2011 increased the cash balance of the fund. In 2010, a target cash balance reserve was established for the internal service funds. The minimum balance is equal to 15% of the operating budget.



## Mayor's Recommended Budget

The Mayor recommended an acceleration of the General Fund transfers to the Property Services Fund from the 2011 Adopted plan. The proposed transfer schedule is \$514,000 in 2012; \$872,000 in 2013; \$939,000 in 2014; and \$1.374M in 2015. By accelerating the transfer schedule, capacity is created in the near future to hold down property tax levy increases, while maintaining the financial integrity of the fund.

## Council Adopted Budget

The Council adopted the Mayor's recommendations.

**City of Minneapolis**  
**2012 Budget**  
**Financial Plan (in thousand of dollars)**  
**Property Services Fund - 06200**

	2009	2010	2011	2011	2012	% Chg	2013	2014	2015
	Actual	Actual	Budget	Projected	Budget	From 2011 Projected	Forecast	Forecast	Forecast
<b>Source of Funds:</b>									
Charges for Services	5,551	4,003	3,893	6,200	2,486	-59.9%	2,561	2,637	2,717
Charges for Sales	327	284	355	300	355	18.3%	366	377	388
Rents	12,670	12,428	13,548	13,300	13,281	-0.1%	13,879	14,290	14,713
Other Misc Revenues	83	122	61	50	3	-94.0%	3	3	3
Transfers In	655	951	821	821	894	8.9%	1,252	1,319	1,754
<b>Total</b>	<b>19,285</b>	<b>17,788</b>	<b>18,678</b>	<b>20,671</b>	<b>17,019</b>	<b>-17.7%</b>	<b>18,061</b>	<b>18,626</b>	<b>19,574</b>
<b>Use of Funds:</b>									
Property Services Administration	1,357	1,508	1,852	1,600	1,267	-20.8%	1,306	1,345	1,385
Radio Equipment	1,550	1,409	1,804	1,500	1,793	19.5%	1,847	1,902	1,959
Municipal Market	6	16	21	21	40	90.5%	41	42	44
Facilities Management	15,347	14,146	14,214	16,130	12,971	-19.6%	13,360	13,761	14,173
Debt Service	877	838	880	880	864	-1.8%	873	886	918
Transfers Out	97	925	228	228	598	162.3%	-	-	-
<b>Total</b>	<b>19,234</b>	<b>17,919</b>	<b>18,999</b>	<b>20,359</b>	<b>17,533</b>	<b>-13.9%</b>	<b>17,427</b>	<b>17,937</b>	<b>18,480</b>
<b>Change in Net Assets</b>	<b>(226)</b>	<b>(1,219)</b>	<b>(321)</b>	<b>312</b>	<b>(514)</b>		<b>633</b>	<b>689</b>	<b>1,094</b>
<b>Net Assets</b>	<b>27,210</b>	<b>25,991</b>	<b>25,670</b>	<b>26,303</b>	<b>25,789</b>		<b>26,423</b>	<b>27,112</b>	<b>28,206</b>
<b>Total Cash Balance</b>	<b>353</b>	<b>126</b>	<b>(195)</b>	<b>1,206</b>	<b>692</b>		<b>1,326</b>	<b>2,015</b>	<b>3,109</b>
<b>Operating Cash balance<sup>1</sup></b>	<b>(1,556)</b>	<b>(944)</b>	<b>(1,265)</b>	<b>(312)</b>	<b>(826)</b>		<b>(192)</b>	<b>497</b>	<b>1,591</b>
<b>Target Cash Reserve<sup>2</sup></b>	<b>353</b>	<b>890</b>	<b>1,426</b>	<b>1,426</b>	<b>1,963</b>		<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
<b>Variance Cash to Target Cash Reserve</b>	<b>(1,909)</b>	<b>(764)</b>	<b>(1,621)</b>	<b>(1,738)</b>	<b>(2,789)</b>		<b>(2,692)</b>	<b>(2,003)</b>	<b>(909)</b>

<sup>1</sup> Total cash balance is the sum of cash recorded to the Property Dispositon fund and to the Property Services fund. Operating cash is the cash balance generated from Property Service fund operations and recorded in the Property Services fund.

<sup>2</sup> The target cash reserve policy for internal services establishes a minimum cash balance at 15% of the operating budget. The reserve amounts were determined April 2010.

Note: Source and use of funds forecasts were calculated using a factor of 3.0% to capture increases in costs and revenues.

**City of Minneapolis  
2012 Budget  
Financial Plan**

**Self-Insurance Fund**

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**Background**

The Self-Insurance Fund records tort liability settlements, workers' compensation claims, severance payments to employees who meet eligibility requirements, and the related administrative costs of these and other services. An activity-based allocation model assigns charges to City departments to cover these expenses.

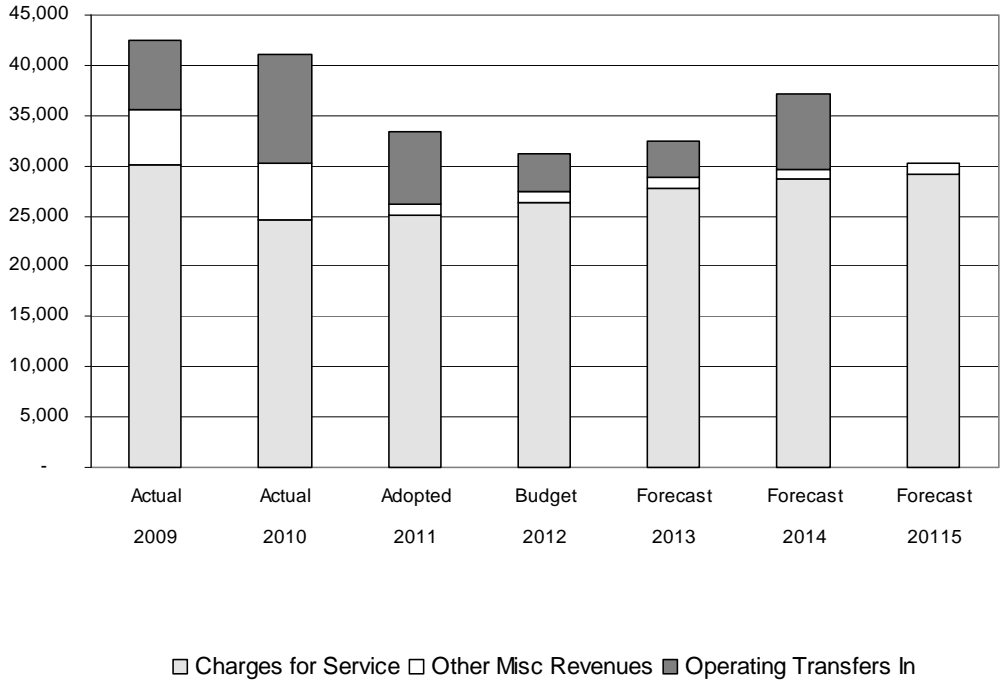
**Historical Financial Performance**

The net assets of the Self-Insurance Fund reflected a negative position of \$6.6 million at year-end 2010, improving \$36.7 million from the 2002 ending balance of a negative \$43.3 million. One reason for the negative balance is the required accounting recognition of liability for unpaid claims. The 2010 unpaid claims liability is \$47.3 million representing an increase of \$4.8 million from the 2009 liability of \$42.5 million. An actuarial study completed for year-end 2010 calculated the increase to the unpaid claims liability based on historical paid claims, incurred loss, and estimated reserves for claims unpaid.

In 2003, the City Council adopted a financial plan for the Self-Insurance Fund to increase net assets and attain a positive cash balance by year-end 2006. The financial plan was updated in 2008 and adopted by the City Council. The fund continues to perform above the financial plan cash projections and ended 2010 with a cash balance of \$42.1 million, an increase of \$13.1 million from the 2009 ending balance of \$29.0 million. The long-term financial plan projected a 2010 ending cash balance of \$30.7 million. Financial policies related to the internal service funds determine that a cash balance for the Self Insurance Fund should be maintained equal to the unpaid claims liability amount plus 10% of the annual department operating budgets. The unpaid claims liability at year end 2010 was \$47.3 million and 10% of the total 2010 operating budgets equaled \$3.2 million. The ending 2010 cash balance is \$8.4 million less than the amount determined by the financial policy.

For 2007, an allocation model was implemented to recover costs associated with all programs in the fund. The allocation model assigns costs to City departments based on a minimum of 5-year claims history for workers compensation and liability. The model was put in place to raise departmental awareness of Self-Insurance costs and increase their ability to control the cost of premiums in the future through loss prevention programs.

**Self-Insurance Revenues**  
(in thousands of dollars)



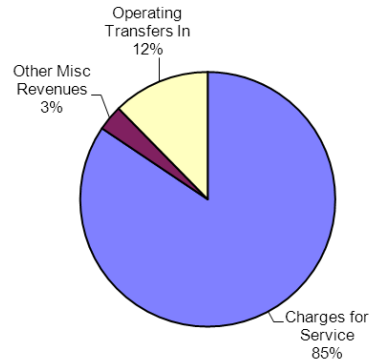
Charges for Service
  Other Misc Revenues
  Operating Transfers In

**2012 Budget**

*Revenues*

Beginning in August 2008, revenues and expenses related to medical and life insurance are processed directly from payroll to the vendors and do not flow through this fund as was previous practice. As of March 2009, revenues and expenses related to dental insurance and flexible spending accounts are recorded in another City fund. In 2010 COBRA medical and dental revenue expense are also recorded in another fund. The result of these changes is an ongoing decrease to the revenue and expense budgets for this fund.

**Source of Funds**  
(\$31.2 million)



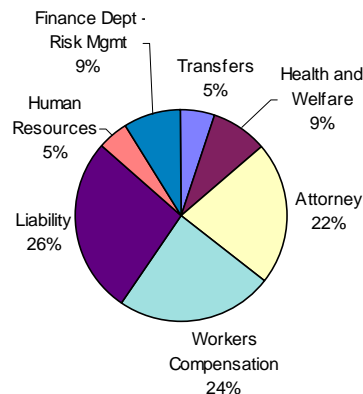
The 2012 budgeted revenue for the Self Insurance Fund is \$31.2 million, a decrease of 6.6% from projected 2011 of \$33.4 million. The transfer in from the general fund is \$3.85 million, a decrease of \$3.5 million from 2011.

*Expense*

The expense budget for 2012 is \$27.9 million, a decrease of 3.1% from projected 2011 of \$28.8 million.



**Use of Funds  
(\$27.9 million)**



The Unused Sick Leave program provides a payout of unused sick leave to qualified employees upon separation from the City. Payments are funded by 0.7% gross salary contributions from the City and Park Board into a severance pool. The rate for City police officers and firefighters is 1.1% of gross pay.

The worker's compensation payments are estimated at \$6.6 million for 2012. This is a 9.1% increase over the prior year's budgeted amount to bring the 2012 budget in line with an actuarial study completed in 2010. The same study predicted an increase in liability payments of 16.5%, from \$6.5 million in 2011 to \$7.5 million in 2012.

*Transfers*

The 2012 expense budget includes a transfer of \$485,000 to a pension fund debt service to cover the cost of debt related to the Minneapolis Employees Retirement fund (MERF) unfunded liability. The City will retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase to this debt payment for the proprietary funds. The Self Insurance Fund will use fund balance as a revenue source for this payment in 2012 and will recover the cost of the payment through the Self Insurance allocation model for years 2012 through 2014.

The budget includes a \$3.85 million transfer from the General Fund per the fund's long-term financial plan. The budget also includes a \$1.0 million transfer to the Intergovernmental Services Fund to assist with payment of debt service as determined by the updated 2008 long-term financial plan.

*Debt Service*

This fund does not have long-term debt.

*Net Assets*

The net asset balance at year end 2010 is a deficit of \$6.6 million representing a decrease in the deficit from \$15.4 at year end 2009. The long-term financial plan projected a 2010 net asset balance of a deficit of \$5.6 million. Although the fund experienced an increase in cash of \$13.1 million in 2010, a corresponding increase in net assets did not occur due to the \$4.8 million increase in the liability for unpaid claims. The projected increase to net assets in 2011 is \$4.6 million. The financial policy relating to the net asset balance for the Self Insurance Fund determines that the net assets should not fall below zero.

**Mayor's Recommended Budget**

The Mayor recommended an acceleration of the General Fund transfers to the Self Insurance Fund from the 2011 adopted plan. The proposed transfer schedule is \$3.85M in 2012; \$3.717M in 2013; and \$3.463M in 2014. By accelerating the transfer schedule, capacity is created in the near future to hold down property tax levy increases, while maintaining the financial integrity of the fund.

**Council Adopted Budget**

The Council adopted the Mayor's recommendations.

**City of Minneapolis  
2012 Budget  
Financial Plan (in thousands of dollars)**

**Self Insurance Fund - 6900**

	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Chg From 2011 Projected	2013 Forecast	2014 Forecast	2015 Forecast
<b>Source of Funds:</b>									
Charges for Service <sup>1</sup>	30,110	24,615	25,119	24,627	26,345	7.0%	27,722	28,584	29,055
Other Misc Revenues	5,542	5,629	1,010	1,454	1,010	-30.5%	1,040	1,072	1,104
Operating Transfers In	6,915	10,810	7,330	7,330	3,850	-47.5%	3,717	3,463	
<b>Total</b>	<b>42,567</b>	<b>41,054</b>	<b>33,459</b>	<b>33,411</b>	<b>31,205</b>	<b>-6.6%</b>	<b>32,479</b>	<b>33,119</b>	<b>30,159</b>
<b>Use of Funds:</b>									
Transfers	145	140	1,217	1,217	1,485	22.0%	1,000	1,000	1,000
Health and Welfare <sup>1</sup>	9,924	5,316	2,164	788	2,361	199.6%	2,432	2,505	2,580
Attorney	5,569	5,488	6,101	6,511	6,052	-7.0%	6,234	6,421	6,613
Workers Compensation	10,820	9,555	6,065	7,310	6,617	-9.5%	6,963	7,165	6,955
Liability	12,067	7,957	6,450	8,700	7,515	-13.6%	7,770	8,033	8,305
Human Resources	1,142	1,294	1,380	1,817	1,369	-24.7%	1,410	1,452	1,496
Finance Dept - Risk Mgmt	2,840	2,459	2,420	2,420	2,466	1.9%	2,539	2,616	2,694
<b>Total</b>	<b>42,507</b>	<b>32,209</b>	<b>25,797</b>	<b>28,763</b>	<b>27,865</b>	<b>-3.1%</b>	<b>28,348</b>	<b>29,191</b>	<b>29,643</b>
<b>Change in Net Assets</b>	<b>60</b>	<b>8,845</b>	<b>7,662</b>	<b>4,648</b>	<b>3,340</b>		<b>4,131</b>	<b>3,927</b>	<b>516</b>
<b>Net Assets</b>	<b>(15,433)</b>	<b>(6,588)</b>	<b>1,074</b>	<b>(1,940)</b>	<b>1,400</b>		<b>5,531</b>	<b>9,458</b>	<b>9,974</b>
<b>Cash Balance</b>	<b>28,995</b>	<b>42,081</b>	<b>49,743</b>	<b>46,729</b>	<b>50,069</b>		<b>54,200</b>	<b>58,127</b>	<b>58,643</b>
<b>Long Range Financial Plan Target Cash<sup>2</sup></b>	<b>23,412</b>	<b>30,663</b>	<b>37,317</b>	<b>37,317</b>	<b>42,986</b>		<b>47,670</b>	<b>51,370</b>	<b>54,086</b>
<b>Variance Cash to Financial Plan</b>	<b>5,583</b>	<b>11,418</b>	<b>12,426</b>	<b>9,412</b>	<b>7,083</b>		<b>6,530</b>	<b>6,757</b>	<b>4,557</b>

<sup>1</sup> In 2009, medical, dental, and life insurance do not flow through the Self Insurance Fund. In 2010, in addition to medical, dental, and life insurance, COBRA medical and dental no longer flow through the Self Insurance fund.

<sup>2</sup>The cash projections for 2009 onward are based on the updated long-term financial plan for this fund, adopted by Council in 2008, which accelerated the target cash balance.

**City of Minneapolis  
2012 Budget**

**Capital Program**

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**City of Minneapolis**  
**2012 – 2016 Capital Program**  
**Capital Budget Narrative Overview**

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**CAPITAL IMPROVEMENT BUDGET DEVELOPMENT**

The City has a five-year capital improvement plan (CIP). Annually, City departments & independent boards and commissions prepare new and/or modify existing capital improvement proposals. The Finance Department, Community Planning & Economic Development department (CPED) and the Capital Long-Range Improvement Committee (CLIC) review the capital improvement proposals.

CLIC is a citizen advisory committee to the Mayor and City Council. The committee is authorized to have 33 appointed members, composed of two members per Council Ward and seven at-large members appointed by the Mayor. The committee elects a Chair and Vice Chair and breaks itself into two programmatic task forces of approximately the same number of members. Each task force elects a Chair and Vice Chair. Collectively, these six elected members form the Executive Committee and represent CLIC in meetings with the Mayor and City Council.

The two task forces are currently titled “Transportation” and “Human Development.” The task forces receive and review all Capital Budget Requests (CBRs) for their program areas as submitted by the various City departments, independent boards and commissions.

During several half-day or full-day meetings, departments and boards formally present their needs and offer explanations for their requests. Task force members then rate all proposals using a rating system with specific criteria and create a numerical ranking for each project. Highest-ranking priorities are then balanced against available resources by year to arrive at a cohesive five-year capital improvements program recommendation to the Mayor and City Council.

For this five-year plan covering years 2012 - 2016, there were 78 CBRs reviewed and rated. The total requested capital budget for the five years was \$660.78 million.

CLIC’s recommendations serve as the basis from which the Mayor and City Council’s decisions are made. The Mayor makes recommendations on the capital budget as well as the operating budget. The Council adopts the five-year capital plan simultaneously with the operating budget.

**HIGHLIGHTS OF THE 2012-2016 CAPITAL IMPROVEMENT PLAN**

**Five-Year Capital Program Totals:** For 2012 – 2016, the five-year capital program for City departments, independent boards and commissions totals \$641.66 million including all funding sources. The 2012 portion of this program is \$100.13 million. Due to cuts in Local Government Aid as part of the State of Minnesota’s adopted biennial budget, the City was forced to eliminate \$45 million of planned capital improvements funded with general fund transfers. In response, since the City can no longer afford to postpone needed improvements to infrastructure, this budget recommends a \$56.565 million increase in net debt bond funding in the five-year capital plan over the previously adopted plan.

The Net Debt Bond (NDB) program is paid for with property tax collections. The five-year financial direction for the bond redemption levy included increases in 2014 and significant increases in 2015 and beyond for capital improvements. These increases are possible because as the demand for property tax resources for the internal service fund financial plans are reduced, the bond redemption levy is increased. In order to expedite capital improvements in 2012 and 2013, the City will extend debt maturities slightly longer than current practice for new issuances until the higher bond redemption levies are realized. This plan also includes an increase in base levies of approximately \$4 million starting in 2014 versus the previous long-term financial plan to pay for the higher capital level. These property tax supported net debt bonds help to leverage many funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) - more details are contained later in this document.

**Expanded NDB Resources for Capital Improvements:** The net debt bond funding previously approved for programming for 2012 - 2016 was \$93.435 million. The \$56.565 million NDB increase recommended will allow for \$150 million of capital programming over the next five years. The NDB increase is part of the long-term plan to continue the infrastructure acceleration program which concludes in 2013. The decline in the street infrastructure this past spring coupled with the loss of LGA funding which reduced future paving expenditures by \$45 million from 2011 - 2015, has resulted in this net debt increase being recommended sooner than originally anticipated. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. These additional resources are combined with municipal state aid, special assessments and Infrastructure Acceleration Program (IAP) funds. Total funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

(\$ mils)	2012	2013	2014	2015	2016	Totals
Original Net Debt Bonds	\$17.310	\$17.675	\$18.050	\$20.000	\$20.400	\$93.435
Net Debt Bond Increase	<u>8.690</u>	<u>22.570</u>	<u>11.550</u>	<u>9.155</u>	<u>4.600</u>	<u>\$56.565</u>
<b>Total Net Debt Bonds by Year</b>	\$26.000	\$40.245	\$29.600	\$29.155	\$25.000	\$150.000

**Property Tax Supported – Public Works:** The 2012 capital budget includes \$19.87 million in property tax supported (NDB) funding for Public Works projects. Included in this 2012 amount is \$1.0 million for economic development related projects to enhance the property tax base. These economic development projects will be managed by the Community Planning and Economic Development Department in cooperation with the Public Works Department and can be found in the Street Paving section of the capital program. Below is a summary of the 2012 - 2016 NDB allocation for the Public Works infrastructure program, including the economic development projects.

(\$ mils)	2012	2013	2014	2015	2016	Totals
<b>Net Debt Bond funding</b>	\$19.87	\$30.60	\$22.62	\$21.20	\$15.67	\$109.96

**Neighborhood Parks Infrastructure Funding:** The 2012 capital budget includes \$4.5 million for Park improvements including \$2.5 million of net debt bonds, \$1.5 million of Park capital levy and \$.50 million of infrastructure acceleration funding. Below is a summary of the total 2012 – 2016 funding for park board capital improvements.

(\$ mils)	2012	2013	2014	2015	2016	Totals
Net Debt Bond funding	\$2.50	\$5.00	\$2.50	\$2.50	\$2.50	\$15.00
Park Capital Levy	\$1.50	1.50	1.50	1.50	.90	\$6.90
Infrastructure Acceleration funding	\$0.50	0.50	0.00	0.00	0.00	\$1.00
<b>Total Park Board Capital funding</b>	<b>\$4.50</b>	<b>\$7.00</b>	<b>\$4.00</b>	<b>\$4.00</b>	<b>\$3.40</b>	<b>\$22.90</b>

**Property Tax Supported – Municipal Building Commission (MBC), BIS Technology and Miscellaneous Projects:** The 2012 capital budget includes \$3.63 million in property tax supported funding for these categories. Projects include public art, technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings, including City Hall. These categories use 16.7% of the available net debt bond funds in the five-year plan. Below is a summary of the 2012 - 2016 net debt funding for MBC, BIS Technology and Miscellaneous projects.

(\$ mils)	2012	2013	2014	2015	2016	Totals
<b>Net Debt Bond funding</b>	<b>\$3.63</b>	<b>\$4.65</b>	<b>\$4.48</b>	<b>\$5.45</b>	<b>\$6.83</b>	<b>\$25.04</b>

**Infrastructure Acceleration Program (IAP):** In addition to the net debt bond funding indicated above, this capital budget continues the infrastructure acceleration program with \$10.30 million over the final two years of this program to provide additional investment in paving projects, economic development, street lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding for this program comes from one-time trust funds and also leverages other funding sources – see funding details for specific projects later in the document which are identified as “Transfer from Special Revenue Funds”.

(\$ mils)	2012	2013	Totals
Paving Programs	\$1.85	\$2.35	\$4.20
Major Pavement Maintenance	1.00	.80	1.80
Development Projects	1.00	0.00	1.00
Parkway & City Street Lighting	1.05	1.05	2.10
Bike Trail Maintenance	0.10	0.10	0.20
Park Infrastructure	0.50	0.50	1.00
<b>Total IAP Program</b>	<b>\$ 5.50</b>	<b>\$ 4.80</b>	<b>\$10.30</b>

**Utility Fee Supported Capital:** The 2012 - 2016 capital budget includes funding for sewer and water related infrastructure projects supported by utility rates. For the five-year plan, the Sanitary Sewer System has two projects totaling \$33.75 million, the Storm Sewer System has eight projects totaling \$84.17 million and the Water Department has four projects totaling \$88.40 million, exclusive of reimbursable projects. Long-term financial plans are used to determine utility fees required to support the sewer and water operations and infrastructure. For 2012, the Sanitary Sewer and Water rates are being changed to have both a variable rate component based on water usage and a fixed rate component based on meter size. Individual project details and utility rate details for the Sewer and Water funds can be found later in this document.

***Relationship between the Capital and Operating Budgets:*** As part of each capital budget request, departments and independent boards identify whether the capital request will result in an increase or decrease in annual operating costs. The CLIC ranking process provides for adding or subtracting up to 30 points out of 300 for operating cost implications. Proposals indicating an increase in operating costs without a clear definition of how the costs will be funded stand to lose points and those that reduce annual operating costs or have a responsible strategy to pay the increased costs may receive extra rating points.

## **CITY DEBT**

**Minneapolis' total general obligation debt decreased from \$982 million at 12/31/2010 to \$883 million at 12/31/2011.**

### **The City issued the following Bonds in 2011:**

In March 2011, the City issued \$33.8 million of General Obligation Convention Center Refunding Bonds, Series 2011 and \$71.25 million of Taxable General Obligation Convention Center Refunding Bonds, Series 2011. A portion of the proceeds from these refunding bonds along with funds on hand were used on April 14, 2011 to complete a current refunding of the remaining maturities of the General Obligation Convention Center Bonds, Series 2002 in the amount of \$80.9 million and the General Obligation Convention Center Bonds, Series 2002A in the amount of \$9.785 million. The remaining proceeds were used on May 2, 2011 to prepay a portion of the variable rate General Obligation Convention Center Bonds, Series 1999 in the amount of \$8.65 million and a portion of the variable rate General Obligation Convention Center Bonds, Series 2000 in the amount of \$8 million. As a result of these refunding transactions, the City realized an estimated combined net present value savings of \$11.043 million. For purposes of the net present value savings calculation, the City used estimated variable interest rates for 2011 and budgeted rates of 5.00% for the future years and used the actual fixed rates in effect for the 2002 bond series. The \$33.8 million tax-exempt Series 2011 refunding bonds were issued with 3.00% interest coupons and maturities from 12/1/11 to 12/1/2017. The \$71.25 million taxable Series 2011 refunding bonds had interest rates ranging from 3.25% - 3.80% and maturities from 12/1/2018 to 12/1/2020.

In May 2011, the City issued \$27.57 million of General Obligation Various Purpose Bonds, Series 2011. The bonds were issued for a variety of public works infrastructure improvements, park, municipal building commission, technology and sewer, water and parking ramp improvements. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 3.00% and a final maturity date of December 1, 2015.

In November 2011, the City issued \$42.20 million of General Obligation Library Referendum Refunding Bonds, Series 2011. Proceeds of these bonds along with funds on hand were used on December 1, 2011 to redeem the remaining \$44.475 million of outstanding variable rate bonds from the General Obligation Library Bonds, Series 2003. This refunding was performed to lock in low fixed rates. Because the refunded bonds were in variable rate mode and due to a significantly shorter maturity structure, it is not possible to accurately calculate a net present value savings for this refunding. The refunding series was issued in fixed rate mode at a 2.00% interest rate and a final maturity date of December 1, 2019.

In November 2011, the City also issued \$39.30 million of General Obligation Convention Center Refunding Bonds, Series 2011A. Proceeds of these bonds were used on December 1, 2011 to redeem the remaining \$22.00 million of General Obligation Convention Center Bonds, Series 1999 and remaining \$17.30 million of General Obligation Convention Center Bonds, Series 2000. Both of the refunded series were in variable rate mode. This refunding was performed to lock in low fixed rates. Because the refunded bonds were in variable rate mode, it is not possible to accurately calculate a net present value savings for this refunding but based on the budgeted 5% interest rate, the City estimates a net present value savings of \$6.68 million. The refunding series was issued in fixed rate mode at a 2.00% interest rate and a final maturity date of December 1, 2018.

In November 2011, the City also issued \$8.495 million of General Obligation Improvement Bonds, Series 2011. These bonds were issued for a variety of special assessment projects including several street paving programs, street lighting, water main and sanitary sewer projects. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% - 3.50% and a final maturity date of December 1, 2031.

### **The City had the following Note activity in 2011:**

Over the past several years, the City entered into six general obligation notes with the Minnesota Public Facilities Authority (PFA) to finance the City's drinking water ultra-filtration projects (Notes 1 through 4 and Note 6) and new filter presses project (Note 5). The notes are part of a federally sponsored below market financing program related to the Safe Drinking Water Act. During 2011, the City received additional proceeds of \$10.145 million on Note 5 and \$.24 million on Note 6. Note 5 has capacity of \$21.96 million with \$19.41 million drawn through December 31, 2011 and a subsidized interest rate of 2.688% and a final maturity date of August 20, 2027. Note 6 has capacity of \$7.06 million with \$6.23 million drawn through December 31, 2011 and a subsidized interest rate of 1.00% and a final maturity date of August 20, 2021. Notes 1 through 4 have been fully drawn with total capacity of \$78.40 million and interest rates ranging from 2.53% to 2.819% and final maturity dates ranging from August 20, 2019 to August 20, 2026. At 12/31/2011, the outstanding debt balance of the six general obligation notes in this program was \$91.25 million.

In December 2011, the City entered into contracts for two term loan notes totaling \$43.82 million with a local bank to refund the remaining balances of five series of variable rate bonds. The general obligation tax-exempt variable rate refunding notes are being issued to replace Dexia Credit Local as the liquidity provider on the variable rate bond series. The refunding transactions will take place on January 3, 2012 at which time the notes will be drawn in full.

Proceeds from the \$15.84 million General Obligation Term Loan Note Series 2011A along with funds on hand will be used to redeem \$5.82 million of General Obligation Block E Bonds, Series 2000A, \$7.11 million of General Obligation Various Purpose Refunding Bonds, Series 2003 and \$3.86 million of General Obligation Tax Increment Bonds (Mill Quarter Ramp), Series 2005 bonds. The interest rate on the note (when funded) will be 70% of the one-month LIBOR rate plus a spread. The final maturity date on the Series 2011A note will be December 1, 2032.

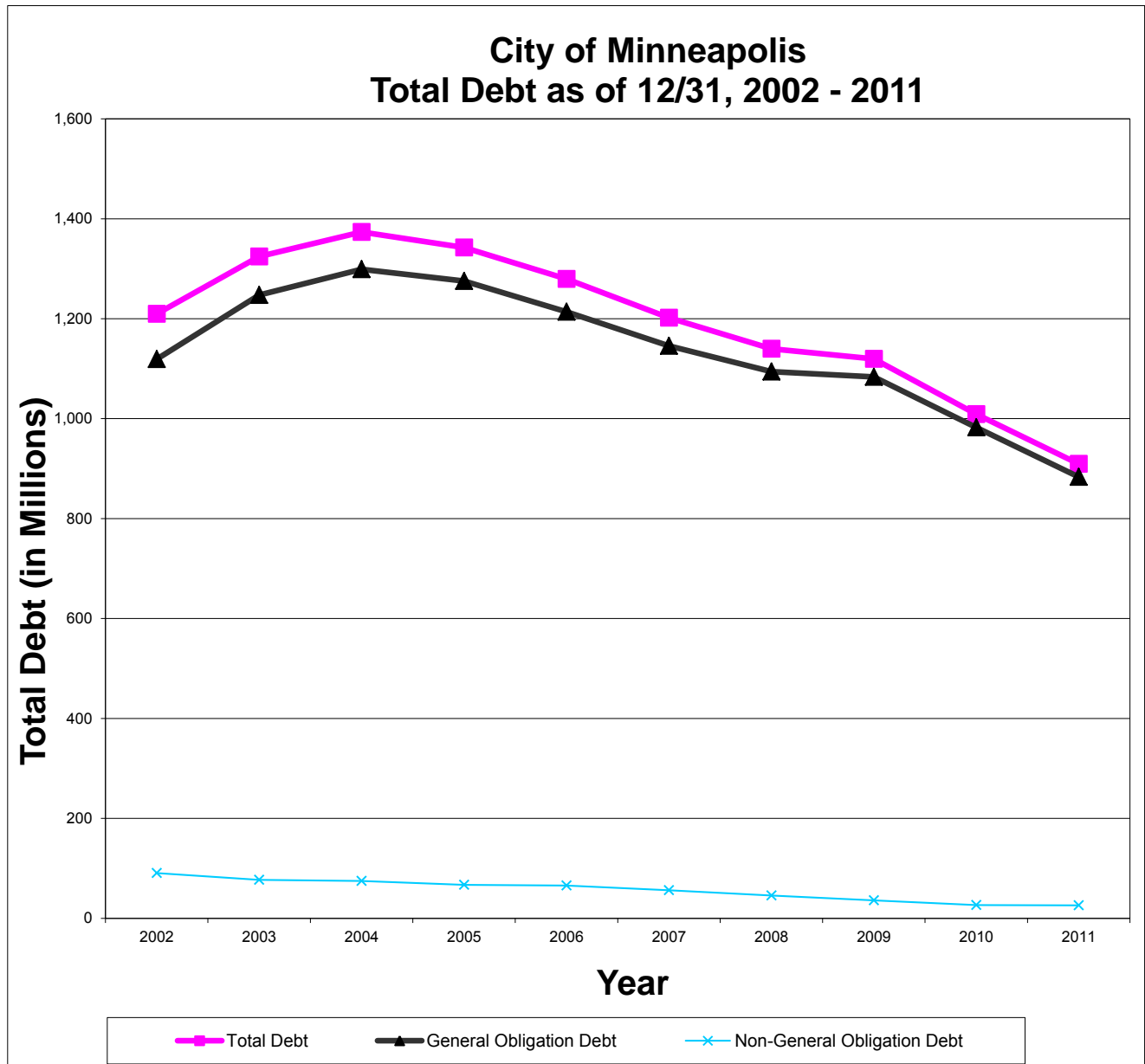
Proceeds from the \$27.98 million General Obligation Term Loan Note Series 2011B along with funds on hand will be used to redeem \$15.61 million of General Obligation Guthrie Parking Ramp Bonds, Series 2003 and \$13.30 million of General Obligation Guthrie Parking Ramp Bonds, Series 2005. The interest rate on the note (when funded) will be 70% of the one-month LIBOR rate plus a spread. The final maturity date on the Series 2011B note will be December 1, 2033.



## Debt Trends

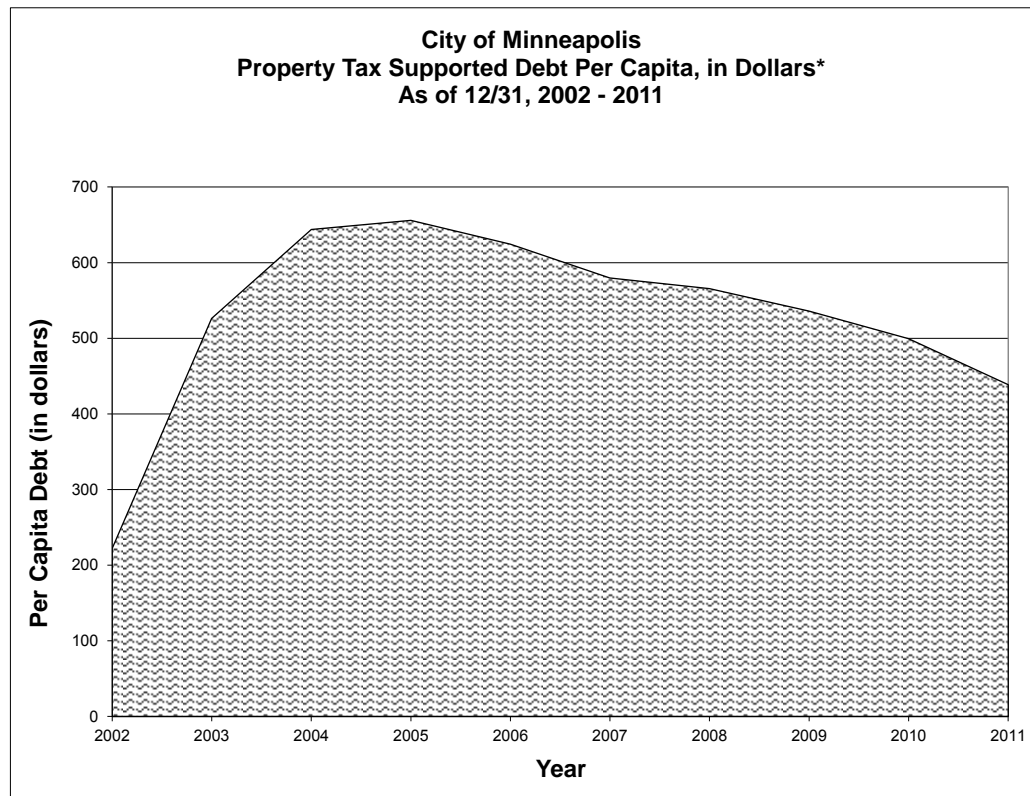
Management of the City's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, \$91.985 million of General Agency Reserve Fund System bonds are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 2002 – 2011. The total includes general obligation debt, backed by the full faith and credit of the City, and non-general obligation debt, which includes tax increment backed mortgage revenue bonds.



## PER CAPITA DEBT

The chart below shows changes in general obligation debt per capita over the past decade for the portion of the City's debt paid for with property taxes. From 2002 - 2005, the City issued significant property tax supported debt to fund the Library Referendum capital program and to pay unfunded pension obligations for the City's three closed pension funds - the Minneapolis Police Relief Association (MPRA), Minneapolis Fire Relief Association (MFRA) and Minneapolis Employee Retirement Fund (MERF) resulting in a spike in the debt per capita. The reductions from 2006 to 2011 are partially due to the City using one-time resources to accelerate the pay down of all categories of property tax supported debt including net debt infrastructure bonds, library referendum and pension bonds. A large part of the reduction in 2011 reflects paying off \$37.3 million of pension bonds.



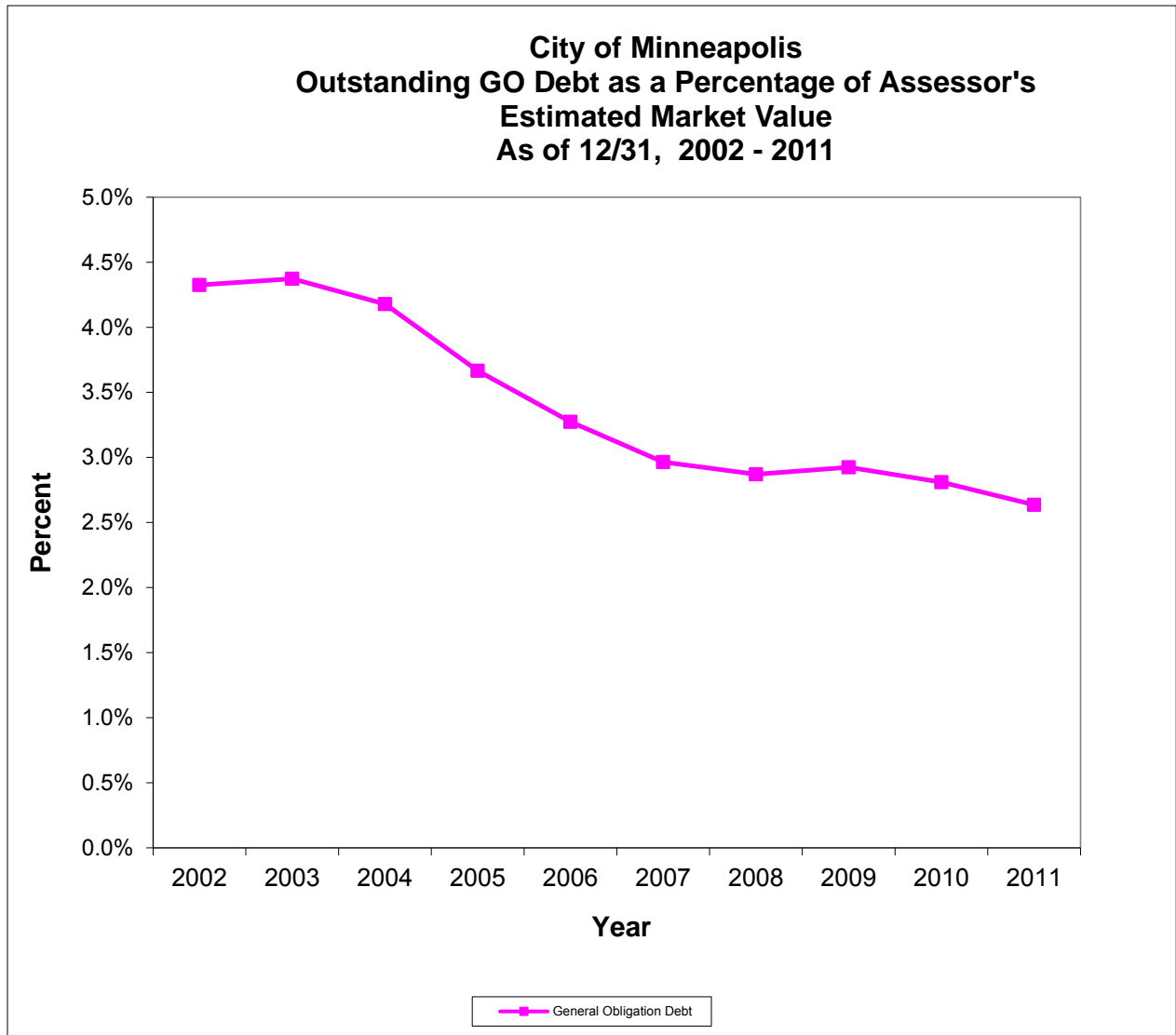
\* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension related debt included above. Population figures used in this graph come from the official census in 2010 or from data provided by the Metropolitan Council for the other years.

### DEBT CAPACITY – TOTAL DEBT

A primary goal of the City's debt management effort is to maintain ability to incur debt at low interest rates without endangering ability to finance essential City services.

One key management ratio used in monitoring the City's debt is total general obligation (GO) debt outstanding as a percent of estimated full market value of Minneapolis' taxable property. The ratio of outstanding GO debt to the Minneapolis City Assessor's market value of taxable property equaled less than three percent from 2007 through 2011, with a slightly improving trend. While property values experienced a decline of approximately \$5.1 billion during this timeframe, the trend line benefitted by a reduction of \$293 million in Total Debt applicable to the calculation.

The chart below shows 2003 as the highest total debt/market ratio due to one of the higher total debt levels coupled with lower property values. Total GO Debt peaked in 2004, but the impact was offset by increasing market values of the City's taxable property. Peak GO debt was \$1.3 billion in 2004 and has been falling each year to \$883 million at the end of 2011, a \$417 million decrease. Property valuations grew during the 2004 – 2006 period continuing the favorable trend line but have trended down from 2007 – 2011.



**COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN**

The following is the computation of the estimated legal debt margin to be reported in the City's Comprehensive Annual Financial Report for December 31, 2011. This calculation determines the maximum statutory limit of general obligation debt that can be issued by the City for which property taxes are levied as the source of repayment for the bonds.

	Dollars in Thousands
Real Property (2011 Market Value)	\$ 33,139,112
Personal Property (2010 Market Value)	372,205
Adjustment for Exempt Personal Property (1966 Market Value)	298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution	34,520
Total Assessed Value	<u>33,843,867</u>
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	\$ 1,128,129
General Obligation Bonds Subject to Debt Limit:	
Supported by Property Tax Levy	188,340
Supported by Special Assessments:	
Park Diseased Trees	1,200
Self-Supporting (Supported by Internal User Charges):	
Management Information Systems	11,055
Park Board - Land for athletic fields & energy efficiency	5,325
Public Works Fleet and Equipment	23,535
Property Fund	5,475
Total General Obligation Bonds Subject to Debt Limit	<u>234,930</u>
Less: Estimated Assets in Debt Service Fund at 12/31/11	<u>(20,539)</u>
Total Debt Applicable to Debt Limit	<u>214,391</u>
Legal Margin for New Bonds Subject to Debt Limit	\$ 913,738

## SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2011 are detailed below.

	Balance			Balance	Amounts
	1/1/2011	Additions	Retirements	12/31/2011	Due Within
					One Year
Governmental activities:					
<u>Bonds and Notes</u>					
Property Tax Supported GO Bonds*	\$ 236,570	\$ 53,682	\$ 101,912	\$ 188,340	\$ 67,500
Self Supporting GO Bonds	197,780	144,350	163,265	178,865	15,235
GO Improvement Bonds	47,806	8,895	5,726	50,975	7,220
Tax Increment GO Bonds	139,830	-	11,575	128,255	12,385
Revenue Bonds	26,700	-	710	25,990	780
Revenue Notes	15,585	-	309	15,276	581
Internal Service Fund Related GO Bonds	51,940	1,000	12,875	40,065	12,160
Total Governmental Bonds and Notes	716,211	207,927	296,372	627,766	115,861
Business-type activities:					
<u>Bonds and Notes</u>					
Stormwater Fund GO Bonds	18,271	8,988	11,773	15,486	6,264
Sanitary Sewer Fund GO Bonds	14,500	4,000	4,100	14,400	4,600
Water Fund GO Bonds	28,771	-	2,251	26,520	2,250
Water Fund GO Note	84,521	10,385	3,655	91,251	3,550
Municipal Parking Fund GO Bonds	162,320	1,700	14,820	149,200	15,840
CPED Related Non GO Fund					
General Agency Reserve Fund System	95,925	-	3,940	91,985	3,800
Revenue Notes	455	-	144	311	154
Total Bonds and Notes	404,763	25,073	40,683	389,153	36,458
Grand Total Bonds & Notes	\$ 1,120,974	\$ 233,000	\$ 337,055	\$ 1,016,919	\$ 152,319

\* - This category includes debt issued for the City's general infrastructure capital program, the library referendum and unfunded pension liabilities.

## AMORTIZATION OF OUTSTANDING GOVERNMENTAL CITY DEBT

As of December 31, 2011 annual debt service requirements for Governmental activities\* (in thousands) to maturity follows:

Governmental Activities – Non-Proprietary					
Year Ending	Bonds		Notes		
	Principal	Interest	Principal	Interest	
Dec 31:					
2012	\$ 103,120	\$ 21,399	\$ 581	\$ 308	
2013	45,046	16,834	310	276	
2014	41,941	15,384	330	260	
2015	47,000	13,985	360	241	
2016	39,991	12,297	380	224	
2017 – 2021	209,492	40,643	2,330	797	
2022 – 2026	73,615	11,207	1,785	163	
2027 – 2031	12,010	1,075	9,200		
2032	210	5			
	<u>\$ 572,425</u>	<u>\$ 132,829</u>	<u>\$ 15,276</u>	<u>\$ 2,269</u>	

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
	Principal	Interest	Principal	Interest
Dec 31:				
2012	12,160	1,318	115,861	23,025
2013	3,735	918	49,091	18,028
2014	3,750	783	46,021	16,427
2015	3,525	649	50,885	14,875
2016	3,080	528	43,451	13,049
2017 – 2021	13,815	784	225,637	42,224
2022 – 2026	-	-	75,400	11,370
2027 – 2031	-	-	21,210	1,075
2032	-	-	210	5
	<u>\$ 40,065</u>	<u>\$ 4,980</u>	<u>\$ 627,766</u>	<u>\$140,078</u>

\* - Governmental activities include the basic infrastructure assets required to provide services to the residents such as parks, libraries, streets, roads, bridges, traffic signals, lighting, police and fire stations, public buildings, technology platforms, fleet equipment, etc. Governmental activities are supported primarily by property taxes and other governmental aids received.

## AMORTIZATION OF OUTSTANDING BUSINESS TYPE CITY DEBT

As of December 31, 2011, annual debt service requirements for Business-type activities\* (in thousands) to maturity follows:

Year Ending	Bonds		Notes		Total		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Dec 31:								
2012	\$ 32,755	\$ 16,111	\$ 3,703	\$ 2,402	\$ 36,458	\$ 18,513		
2013	26,195	14,989	3,892	2,306	30,087	17,295		
2014	21,125	14,031	3,891	2,205	25,016	16,236		
2015	17,880	12,304	4,360	2,104	22,240	14,408		
2016	17,469	9,914	4,530	1,997	21,999	11,911		
2017 – 2021	55,047	40,714	38,490	7,543	93,537	48,257		
2022 – 2026	67,685	26,847	29,080	2,843	96,765	29,690		
2027 – 2031	29,995	13,608	3,616	97	33,611	13,705		
2032 – 2036	19,005	5,049	-	-	19,005	5,049		
2037 – 2041	10,435	1,863	-	-	10,435	1,863		
Total	\$ 297,591	\$ 155,430	\$ 91,562	\$ 21,497	\$ 389,153	\$ 176,927		

\* - Business-type activities include those City functions that operate similar to a private business such as Water, Stormwater and Sanitary Sewer Services, Solid Waste Collection and Parking Ramps. Business-type activities are supported by user fees charged for services provided. Business activities also include some economic development activities that help spur private development, the debt of which is paid for by the private businesses benefited.



## Five-Year Capital Investment Allocation Council Adopted Budget

		Budget in Thousands	2012	2013	2014	2015	2016	Total	Percent of Total
<b>Municipal Building Commission</b>			1,106	1,924	2,170	1,680	520	7,400	1.1%
<b>Park Board</b>			5,000	7,500	4,500	4,500	3,900	25,400	4.0%
<b>Public Works Department</b>									
	Facility Improvements		1,575	1,330	1,615	1,700	1,700	7,920	1.2%
	Street Paving		35,118	79,227	45,354	78,290	30,652	268,641	41.9%
	Sidewalks		3,070	3,210	3,365	3,520	3,720	16,885	2.6%
	Bridges		300	2,875	7,340	400	400	11,315	1.8%
	Traffic Control & Street Lighting		10,285	5,005	5,445	8,250	8,425	37,410	5.8%
	Bike Trails		2,100	100	1,575	0	0	3,775	0.6%
	Sanitary Sewers		6,500	7,000	7,000	7,000	6,250	33,750	5.3%
	Storm Sewers		14,250	24,105	20,238	22,430	18,150	99,173	15.5%
	Water Infrastructure		11,400	31,000	12,000	12,000	32,000	98,400	15.3%
	Parking Ramps		1,700	1,700	1,700	1,700	1,700	8,500	1.3%
	<b>Public Works Department Total</b>		<b>86,298</b>	<b>155,552</b>	<b>105,632</b>	<b>135,290</b>	<b>102,997</b>	<b>585,769</b>	<b>91.3%</b>
<b>Business Information Services</b>			1,275	1,225	1,050	1,000	750	5,300	0.8%
<b>Miscellaneous Projects</b>			6,446	1,754	1,261	2,775	5,558	17,794	2.8%
<b>Grand Total</b>			<b>100,125</b>	<b>167,955</b>	<b>114,613</b>	<b>145,245</b>	<b>113,725</b>	<b>641,663</b>	<b>100.0%</b>





# Minneapolis Five-Year Capital Funding Summary

## City of Lakes Council Adopted Budget

<b>General Infrastructure Improvements Funding Summary by Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Federal Government Grants	3,300	8,000	7,125	11,925	4,000	<b>34,350</b>
Hennepin County Grants	697	152	611	705	725	<b>2,890</b>
Municipal State Aid	7,600	8,092	7,400	6,600	7,200	<b>36,892</b>
Net Debt Bonds	26,000	40,245	29,600	29,155	25,000	<b>150,000</b>
Other Local Governments	1,710	12,871	12,525	32,310	6,480	<b>65,896</b>
Other Miscellaneous Revenues	5,060	60	61			<b>5,181</b>
Park Capital Levy	1,500	1,500	1,500	1,500	900	<b>6,900</b>
Reimbursements	4,100	4,100	4,100	4,100	4,100	<b>20,500</b>
Special Assessments	8,675	13,833	9,180	8,190	7,220	<b>47,098</b>
State Government Grants	1,423	7,077	23	6,500		<b>15,023</b>
Transfer from Special Revenue Funds	5,500	4,800				<b>10,300</b>
<b>Total General Infrastructure Improvements</b>	<b>65,565</b>	<b>100,730</b>	<b>72,125</b>	<b>100,985</b>	<b>55,625</b>	<b>395,030</b>

<b>Enterprise Fund Capital Funding Summary by Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
Other Local Governments		10,250	2,788	5,725		<b>18,763</b>
Parking Bonds	1,700	1,700	1,700	1,700	1,700	<b>8,500</b>
Reimbursements	5,000	5,000	5,000	5,000	5,000	<b>25,000</b>
Sanitary Bonds	6,500	7,000	7,000	7,000	6,250	<b>33,750</b>
Stormwater Bonds	9,000	10,500	12,100	11,155	12,400	<b>55,155</b>
Stormwater Revenue	2,850	3,750	3,900	3,680	2,750	<b>16,930</b>
Water Bonds		20,000			20,000	<b>40,000</b>
Water Revenue	9,510	9,025	10,000	10,000	10,000	<b>48,535</b>
<b>Total Enterprise Fund Capital</b>	<b>34,560</b>	<b>67,225</b>	<b>42,488</b>	<b>44,260</b>	<b>58,100</b>	<b>246,633</b>

<b>Consolidated City-Wide Capital Funding Summary by Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total Budget</b>	<b>Overall Funding Breakdown</b>
Enterprise Bonds	17,200	39,200	20,800	19,855	40,350	<b>137,405</b>	<b>21.41%</b>
Enterprise Revenue	12,360	12,775	13,900	13,680	12,750	<b>65,465</b>	<b>10.20%</b>
Municipal State Aid	7,600	8,092	7,400	6,600	7,200	<b>36,892</b>	<b>5.75%</b>
Net Debt Bonds	26,000	40,245	29,600	29,155	25,000	<b>150,000</b>	<b>23.38%</b>
Other	28,290	53,810	33,733	67,765	21,205	<b>204,803</b>	<b>31.92%</b>
Special Assesments	8,675	13,833	9,180	8,190	7,220	<b>47,098</b>	<b>7.34%</b>
<b>Total City Wide Capital Program</b>	<b>100,125</b>	<b>167,955</b>	<b>114,613</b>	<b>145,245</b>	<b>113,725</b>	<b>641,663</b>	<b>100.00%</b>



**Minneapolis** Capital Budget Summary  
City of Lakes Council Adopted Budget

		Budget in Thousands	2012	2013	2014	2015	2016	Total
<b>MUNICIPAL BUILDING COMMISSION</b>	MBC01 Life Safety Improvements	200	340	300	200	320		<b>1,360</b>
	MBC02 Mechanical Systems Upgrade	500	500	645	500	200		<b>2,345</b>
	MBC04 MBC Elevators	370	245	245	0	0		<b>860</b>
	MBC06 Clock Tower Upgrade	36	839	0	0	0		<b>875</b>
	MBC09 Critical Power Capital Project	0	0	980	980	0		<b>1,960</b>
	<b>Total</b>		<b>1,106</b>	<b>1,924</b>	<b>2,170</b>	<b>1,680</b>	<b>520</b>	
<b>PARK BOARD</b>	PRK01 Recreation Center and Site Improvements Program	2,350	2,150	0	450	0		<b>4,950</b>
	PRK02 Playground and Site Improvements Program	250	0	750	1,365	300		<b>2,665</b>
	PRK03 Shelter - Pool - Site Improvements Program	1,100	1,000	1,500	0	0		<b>3,600</b>
	PRK04 Athletic Fields and Site Improvements Program	200	650	1,150	1,350	2,800		<b>6,150</b>
	PRK22 Parking Lot and Lighting Improvement Program	0	0	0	35	0		<b>35</b>
	PRKCP Neighborhood Parks Capital Infrastructure	600	3,200	600	800	300		<b>5,500</b>
	PRKDT Diseased Tree Removal	500	500	500	500	500		<b>2,500</b>
	<b>Total</b>		<b>5,000</b>	<b>7,500</b>	<b>4,500</b>	<b>4,500</b>	<b>3,900</b>	
<b>PUBLIC WORKS DEPARTMENT</b>	<b>FACILITY IMPROVEMENTS</b>							
	PSD01 Facilities - Repair and Improvements	1,075	830	1,115	1,200	1,200		<b>5,420</b>
	PSD11 Energy Conservation and Emission Reduction	500	500	500	500	500		<b>2,500</b>
	<b>Total for FACILITY IMPROVEMENTS</b>	<b>1,575</b>	<b>1,330</b>	<b>1,615</b>	<b>1,700</b>	<b>1,700</b>		<b>7,920</b>
	<b>STREET PAVING</b>							
	PV001 Parkway Paving Program	700	700	750	750	750		<b>3,650</b>
	PV003 Street Renovation Program	1,500	1,500	2,740	2,480	1,885		<b>10,105</b>
	PV005 Snelling Ave Extension	0	0	0	0	50		<b>50</b>
	PV006 Alley Renovation Program	250	250	250	250	250		<b>1,250</b>
	PV007 University Research Park/Central Corridor	0	30,040	9,300	44,760	0		<b>84,100</b>
	PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	0	0	0	0	2,975		<b>2,975</b>
	PV021 33rd Ave SE and Talmage Ave	2,055	0	0	0	0		<b>2,055</b>
	PV027 Hennepin/Lyndale	0	0	0	10,810	0		<b>10,810</b>
	PV035 TH121/Lyndale Ave S	0	300	300	0	6,480		<b>7,080</b>
	PV038 Winter St NE Residential/Commercial	0	5,395	0	0	0		<b>5,395</b>
	PV056 Asphalt Pavement Resurfacing Program	4,010	4,700	2,049	1,500	1,500		<b>13,759</b>
	PV057 Nicollet Ave (Lake St E to 40th St E)	6,963	6,985	0	0	0		<b>13,948</b>
	PV059 Major Pavement Maintenance Program	1,000	800	0	0	0		<b>1,800</b>
	PV061 High Volume Corridor Reconditioning Program	2,935	9,532	4,370	4,000	4,542		<b>25,379</b>
	PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	7,855	0	0	0	0		<b>7,855</b>
	PV063 Unpaved Alley Construction	300	300	300	300	300		<b>1,500</b>
	PV067 Nawadaha Blvd & Minnehaha Ave	0	0	4,240	0	0		<b>4,240</b>
	PV068 LaSalle Ave (Grant to 8th)	0	0	4,670	0	0		<b>4,670</b>
	PV069 Penn Ave S (50th to Crosstown)	0	9,415	4,095	0	0		<b>13,510</b>
	PV070 Riverside Phase II - 4th St/15th Ave	0	0	5,000	0	0		<b>5,000</b>
	PV071 38th St E (Hiawatha to Minnehaha)	0	0	0	0	2,410		<b>2,410</b>
	PV072 Pedestrian Improvements Program	0	0	0	0	1,200		<b>1,200</b>
	PV073 26th Ave N (W Broadway to Lyndale Ave N)	0	300	430	6,240	2,150		<b>9,120</b>
	PV074 CSAH & MnDOT Cooperative Projects	1,350	1,810	2,160	1,200	1,700		<b>8,220</b>
	PV075 Development Infrastructure Program	1,000	3,700	1,200	2,500	960		<b>9,360</b>
	PV078 Central Corridor Station Area Improvements	1,000	0	0	0	0		<b>1,000</b>
	PV079 Pavement Maintenance Equipment	700	0	0	0	0		<b>700</b>
	PV99R Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500		<b>17,500</b>
<b>Total for STREET PAVING</b>	<b>35,118</b>	<b>79,227</b>	<b>45,354</b>	<b>78,290</b>	<b>30,652</b>		<b>268,641</b>	
<b>SIDEWALKS</b>								
SWK01 Defective Hazardous Sidewalks	3,070	3,210	3,365	3,520	3,720		<b>16,885</b>	
<b>Total for SIDEWALKS</b>	<b>3,070</b>	<b>3,210</b>	<b>3,365</b>	<b>3,520</b>	<b>3,720</b>		<b>16,885</b>	
<b>BRIDGES</b>								
BR101 Major Bridge Repair and Rehabilitation	300	600	400	400	400		<b>2,100</b>	
BR111 10th Ave SE Bridge Arch Rehabilitation	0	0	5,125	0	0		<b>5,125</b>	
BR114 Midtown Corridor Bridge Preservation Program	0	2,275	0	0	0		<b>2,275</b>	
BR116 Bridge 9 Improvements	0	0	1,815	0	0		<b>1,815</b>	
<b>Total for BRIDGES</b>	<b>300</b>	<b>2,875</b>	<b>7,340</b>	<b>400</b>	<b>400</b>		<b>11,315</b>	



**Minneapolis** Capital Budget Summary  
City of Lakes Council Adopted Budget

		Budget in Thousands	2012	2013	2014	2015	2016	Total	
<b>PUBLIC WORKS DEPARTMENT</b>	<b>TRAFFIC CONTROL &amp; STREET LIGHTING</b>	TR008 Parkway Street Light Replacement	300	300	350	350	350	<b>1,650</b>	
		TR010 Traffic Management Systems	525	0	0	3,800	3,800	<b>8,125</b>	
		TR011 City Street Light Renovation	1,100	1,000	350	350	350	<b>3,150</b>	
		TR021 Traffic Signals	4,600	1,700	2,035	2,125	2,175	<b>12,635</b>	
		TR022 Traffic Safety Improvements	2,210	1,405	2,110	1,025	1,150	<b>7,900</b>	
		TR023 Trunk Highway 55 Signal Improvements	950	0	0	0	0	<b>950</b>	
		TR99R Reimbursable Transportation Projects	600	600	600	600	600	<b>3,000</b>	
		<b>Total for TRAFFIC CONTROL &amp; STREET LIGHTING</b>	<b>10,285</b>	<b>5,005</b>	<b>5,445</b>	<b>8,250</b>	<b>8,425</b>	<b>37,410</b>	
		<b>BIKE TRAILS</b>	BIK20 Hiawatha LRT Trail Lighting	0	0	1,575	0	0	<b>1,575</b>
			BIK24 Major Bike Maintenance Program	100	100	0	0	0	<b>200</b>
			BIK25 Bluff Street Bike Trail Project	2,000	0	0	0	0	<b>2,000</b>
		<b>Total for BIKE TRAILS</b>	<b>2,100</b>	<b>100</b>	<b>1,575</b>			<b>3,775</b>	
		<b>SANITARY SEWERS</b>	SA001 Sanitary Tunnel & Sewer Rehabilitation Program	3,500	4,000	4,000	4,000	3,750	<b>19,250</b>
			SA036 Infiltration & Inflow Removal Program	3,000	3,000	3,000	3,000	2,500	<b>14,500</b>
		<b>Total for SANITARY SEWERS</b>	<b>6,500</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>6,250</b>	<b>33,750</b>	
		<b>STORM SEWERS</b>	SW004 Implementation of US EPA Storm Water Regulations	250	250	250	250	250	<b>1,250</b>
			SW005 Combined Sewer Overflow Improvements	1,500	1,500	1,500	1,500	1,500	<b>7,500</b>
			SW011 Storm Drains and Tunnels Rehabilitation Program	8,500	9,500	9,200	8,100	9,400	<b>44,700</b>
			SW018 Flood Area 29 & 30 - Fulton Neighborhood	0	0	3,288	6,580	0	<b>9,868</b>
			SW032 I-35W Storm Tunnel Reconstruction	0	0	0	0	1,000	<b>1,000</b>
			SW033 Flood Area 22 - Sibley Field	0	3,015	0	0	0	<b>3,015</b>
			SW034 Flood Area 21 - Bloomington Pond	0	4,840	0	0	0	<b>4,840</b>
			SW039 Flood Mitigation with Alternative Stormwater Mgmt	1,000	2,000	3,000	3,000	3,000	<b>12,000</b>
			SW99R Reimbursable Sewer & Storm Drain Projects	3,000	3,000	3,000	3,000	3,000	<b>15,000</b>
		<b>Total for STORM SEWERS</b>	<b>14,250</b>	<b>24,105</b>	<b>20,238</b>	<b>22,430</b>	<b>18,150</b>	<b>99,173</b>	
		<b>WATER INFRASTRUCTURE</b>	WTR12 Water Distribution Improvements	5,300	5,000	5,000	5,000	5,000	<b>25,300</b>
			WTR18 Hiawatha Water Maintenance Facility	0	3,000	0	0	0	<b>3,000</b>
		WTR23 Treatment Infrastructure Improvements	4,000	4,000	5,000	5,000	5,000	<b>23,000</b>	
		WTR24 Fridley Filter Rehabilitation	100	17,000	0	0	20,000	<b>37,100</b>	
		WTR9R Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>	
	<b>Total for WATER INFRASTRUCTURE</b>	<b>11,400</b>	<b>31,000</b>	<b>12,000</b>	<b>12,000</b>	<b>32,000</b>	<b>98,400</b>		
	<b>PARKING RAMPS</b>	RMP01 Parking Facilities - Repair and Improvements	1,700	1,700	1,700	1,700	1,700	<b>8,500</b>	
	<b>Total for PARKING RAMPS</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>8,500</b>		
	<b>Total Public Works</b>	<b>86,298</b>	<b>155,552</b>	<b>105,632</b>	<b>135,290</b>	<b>102,997</b>	<b>585,769</b>		
<b>BUSINESS INFORMATION SERVICES</b>		BIS03 Enterprise Content Management	400	350	300	250	0	<b>1,300</b>	
		BIS04 Enterprise Infrastructure Modernization	750	750	750	750	750	<b>3,750</b>	
		BIS32 Mobile Computing Framework	125	125	0	0	0	<b>250</b>	
	<b>Total</b>	<b>1,275</b>	<b>1,225</b>	<b>1,050</b>	<b>1,000</b>	<b>750</b>	<b>5,300</b>		
<b>MISCELLANEOUS PROJECTS</b>		ART01 Art in Public Places	346	354	361	400	408	<b>1,869</b>	
		CNV01 Convention Center Domes Repair	5,000	0	0	0	0	<b>5,000</b>	
		CTY02 City Property Reforestation	150	150	150	150	150	<b>750</b>	
		FIR11 New Fire Station No. 11	0	0	0	1,475	4,250	<b>5,725</b>	
		PSD03 Facilities - Space Improvements	500	750	750	750	750	<b>3,500</b>	
		PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	450	500	0	0	0	<b>950</b>	
	<b>Total</b>	<b>6,446</b>	<b>1,754</b>	<b>1,261</b>	<b>2,775</b>	<b>5,558</b>	<b>17,794</b>		
<b>Grand Total</b>		<b>100,125</b>	<b>167,955</b>	<b>114,613</b>	<b>145,245</b>	<b>113,725</b>	<b>641,663</b>		



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

**MUNICIPAL BUILDING COMMISSION**

		Budget in Thousands	2012	2013	2014	2015	2016	Total
<b>MBC01 Life Safety Improvements</b>	Net Debt Bonds		200	340	300	200	320	<b>1,360</b>
	<b>Total</b>		<b>200</b>	<b>340</b>	<b>300</b>	<b>200</b>	<b>320</b>	<b>1,360</b>
<b>MBC02 Mechanical Systems Upgrade</b>	Net Debt Bonds		500	500	645	500	200	<b>2,345</b>
	<b>Total</b>		<b>500</b>	<b>500</b>	<b>645</b>	<b>500</b>	<b>200</b>	<b>2,345</b>
<b>MBC04 MBC Elevators</b>	Net Debt Bonds		370	245	245	0	0	<b>860</b>
	<b>Total</b>		<b>370</b>	<b>245</b>	<b>245</b>	<b>0</b>	<b>0</b>	<b>860</b>
<b>MBC06 Clock Tower Upgrade</b>	Net Debt Bonds		36	839	0	0	0	<b>875</b>
	<b>Total</b>		<b>36</b>	<b>839</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>875</b>
<b>MBC09 Critical Power Capital Project</b>	Net Debt Bonds		0	0	980	980	0	<b>1,960</b>
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>980</b>	<b>980</b>	<b>0</b>	<b>1,960</b>
<b>Total for Municipal Building Commission</b>			<b>1,106</b>	<b>1,924</b>	<b>2,170</b>	<b>1,680</b>	<b>520</b>	<b>7,400</b>

**PARK BOARD**

<b>PRK01 Recreation Center and Site Improvements Program</b>	Net Debt Bonds		2,000	1,900	0	0	0	<b>3,900</b>
	Park Capital Levy		350	250	0	450	0	<b>1,050</b>
	<b>Total</b>		<b>2,350</b>	<b>2,150</b>	<b>0</b>	<b>450</b>	<b>0</b>	<b>4,950</b>
<b>PRK02 Playground and Site Improvements Program</b>	Net Debt Bonds		0	0	0	650	0	<b>650</b>
	Park Capital Levy		250	0	750	715	300	<b>2,015</b>
	<b>Total</b>		<b>250</b>	<b>0</b>	<b>750</b>	<b>1,365</b>	<b>300</b>	<b>2,665</b>
<b>PRK03 Shelter - Pool - Site Improvements Program</b>	Net Debt Bonds		0	0	1,500	0	0	<b>1,500</b>
	Park Capital Levy		600	500	0	0	0	<b>1,100</b>
	Transfer from Special Revenue Funds		500	500	0	0	0	<b>1,000</b>
	<b>Total</b>		<b>1,100</b>	<b>1,000</b>	<b>1,500</b>	<b>0</b>	<b>0</b>	<b>3,600</b>
<b>PRK04 Athletic Fields and Site Improvements Program</b>	Net Debt Bonds		0	0	500	1,350	2,500	<b>4,350</b>
	Park Capital Levy		200	650	650	0	300	<b>1,800</b>
	<b>Total</b>		<b>200</b>	<b>650</b>	<b>1,150</b>	<b>1,350</b>	<b>2,800</b>	<b>6,150</b>
<b>PRK22 Parking Lot and Lighting Improvement Program</b>	Park Capital Levy		0	0	0	35	0	<b>35</b>
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>0</b>	<b>35</b>
<b>PRKCP Neighborhood Parks Capital Infrastructure</b>	Net Debt Bonds		500	3,100	500	500	0	<b>4,600</b>
	Park Capital Levy		100	100	100	300	300	<b>900</b>
	<b>Total</b>		<b>600</b>	<b>3,200</b>	<b>600</b>	<b>800</b>	<b>300</b>	<b>5,500</b>
<b>PRKDT Diseased Tree Removal</b>	Special Assessments		500	500	500	500	500	<b>2,500</b>
	<b>Total</b>		<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,500</b>
<b>Total for Park Board</b>			<b>5,000</b>	<b>7,500</b>	<b>4,500</b>	<b>4,500</b>	<b>3,900</b>	<b>25,400</b>

**PUBLIC WORKS DEPARTMENT**

<b>FACILITY IMPROVEMENTS</b>	<b>PSD01 Facilities - Repair and Improvements</b>	Net Debt Bonds		1,075	830	1,115	1,200	1,200	<b>5,420</b>
		<b>Total</b>		<b>1,075</b>	<b>830</b>	<b>1,115</b>	<b>1,200</b>	<b>1,200</b>	<b>5,420</b>
	<b>PSD11 Energy Conservation and Emission Reduction</b>	Net Debt Bonds		500	500	500	500	500	<b>2,500</b>
		<b>Total</b>		<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>2,500</b>
<b>Total for FACILITY IMPROVEMENTS</b>			<b>1,575</b>	<b>1,330</b>	<b>1,615</b>	<b>1,700</b>	<b>1,700</b>	<b>7,920</b>	
<b>STREET PAVING</b>	<b>PV001 Parkway Paving Program</b>	Net Debt Bonds		500	500	700	700	700	<b>3,100</b>
		Special Assessments		50	50	50	50	50	<b>250</b>
		Transfer from Special Revenue Funds		150	150	0	0	0	<b>300</b>
		<b>Total</b>		<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>3,650</b>



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

**PUBLIC  
WORKS  
DEPARTMENT**

		Budget in Thousands	2012	2013	2014	2015	2016	Total
STREET PAVING	<b>PV001 Parkway Paving Program</b>	<b>Total</b>	<b>700</b>	<b>700</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>3,650</b>
	<b>PV003 Street Renovation Program</b>	Net Debt Bonds	1,175	1,175	2,415	2,180	1,685	<b>8,630</b>
		Special Assessments	325	325	325	300	200	<b>1,475</b>
		<b>Total</b>	<b>1,500</b>	<b>1,500</b>	<b>2,740</b>	<b>2,480</b>	<b>1,885</b>	<b>10,105</b>
	<b>PV005 Snelling Ave Extension</b>	Net Debt Bonds	0	0	0	0	50	<b>50</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>50</b>
	<b>PV006 Alley Renovation Program</b>	Net Debt Bonds	0	0	200	200	200	<b>600</b>
		Special Assessments	50	50	50	50	50	<b>250</b>
		Transfer from Special Revenue Funds	200	200	0	0	0	<b>400</b>
		<b>Total</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>1,250</b>
	<b>PV007 University Research Park/Central Corridor</b>	Municipal State Aid	0	0	0	2,150	0	<b>2,150</b>
		Special Assessments	0	325	325	0	0	<b>650</b>
		Federal Government Grants	0	7,000	0	3,600	0	<b>10,600</b>
		State Government Grants	0	6,804	0	6,500	0	<b>13,304</b>
		Other Local Governments	0	15,911	8,975	32,510	0	<b>57,396</b>
		<b>Total</b>	<b>0</b>	<b>30,040</b>	<b>9,300</b>	<b>44,760</b>	<b>0</b>	<b>84,100</b>
	<b>PV019 6th Ave N (5th St N to dead end north of Wash Ave N)</b>	Net Debt Bonds	0	0	0	0	955	<b>955</b>
		Municipal State Aid	0	0	0	0	1,590	<b>1,590</b>
		Special Assessments	0	0	0	0	430	<b>430</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,975</b>	<b>2,975</b>
	<b>PV021 33rd Ave SE and Talmage Ave</b>	Net Debt Bonds	250	0	0	0	0	<b>250</b>
		Municipal State Aid	1,220	0	0	0	0	<b>1,220</b>
		Special Assessments	505	0	0	0	0	<b>505</b>
	Stormwater Revenue	80	0	0	0	0	<b>80</b>	
	<b>Total</b>	<b>2,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,055</b>	
<b>PV027 Hennepin/Lyndale</b>	Net Debt Bonds	0	0	0	2,515	0	<b>2,515</b>	
	Municipal State Aid	0	0	0	1,565	0	<b>1,565</b>	
	Special Assessments	0	0	0	405	0	<b>405</b>	
	Stormwater Revenue	0	0	0	930	0	<b>930</b>	
	Federal Government Grants	0	0	0	5,395	0	<b>5,395</b>	
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,810</b>	<b>0</b>	<b>10,810</b>	
<b>PV035 TH121/Lyndale Ave S</b>	Net Debt Bonds	0	300	300	0	0	<b>600</b>	
	Other Local Governments	0	0	0	0	6,480	<b>6,480</b>	
	<b>Total</b>	<b>0</b>	<b>300</b>	<b>300</b>	<b>0</b>	<b>6,480</b>	<b>7,080</b>	
<b>PV038 Winter St NE Residential/Commercial</b>	Net Debt Bonds	0	3,200	0	0	0	<b>3,200</b>	



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

**PUBLIC  
WORKS  
DEPARTMENT**

		Budget in Thousands	2012	2013	2014	2015	2016	Total
STREET PAVING	PV038 Winter St NE Residential/Commercial	Special Assessments	0	2,090	0	0	0	2,090
		Stormwater Revenue	0	105	0	0	0	105
		<b>Total</b>	<b>0</b>	<b>5,395</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	PV056 Asphalt Pavement Resurfacing Program	Net Debt Bonds	1,110	600	849	500	500	3,559
		Municipal State Aid	500	500	500	500	500	2,500
		Special Assessments	1,400	1,600	700	500	500	4,700
		Transfer from Special Revenue Funds	1,000	2,000	0	0	0	3,000
		<b>Total</b>	<b>4,010</b>	<b>4,700</b>	<b>2,049</b>	<b>1,500</b>	<b>1,500</b>	<b>13,759</b>
	PV057 Nicollet Ave (Lake St E to 40th St E)	Net Debt Bonds	3,558	1,410	0	0	0	4,968
		Municipal State Aid	2,300	4,307	0	0	0	6,607
		Special Assessments	830	993	0	0	0	1,823
		Stormwater Revenue	170	170	0	0	0	340
		Water Revenue	25	25	0	0	0	50
		Other Local Governments	80	80	0	0	0	160
		<b>Total</b>	<b>6,963</b>	<b>6,985</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,948</b>
	PV059 Major Pavement Maintenance Program	Transfer from Special Revenue Funds	1,000	800	0	0	0	1,800
		<b>Total</b>	<b>1,000</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,800</b>
	PV061 High Volume Corridor Reconditioning Program	Net Debt Bonds	1,785	7,032	2,870	2,600	3,042	17,329
		Municipal State Aid	0	500	500	500	500	2,000
		Special Assessments	650	2,000	1,000	900	1,000	5,550
		Transfer from Special Revenue Funds	500	0	0	0	0	500
<b>Total</b>		<b>2,935</b>	<b>9,532</b>	<b>4,370</b>	<b>4,000</b>	<b>4,542</b>	<b>25,379</b>	
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	Net Debt Bonds	3,760	0	0	0	0	3,760	
	Municipal State Aid	2,210	0	0	0	0	2,210	
	Special Assessments	670	0	0	0	0	670	
	Stormwater Revenue	350	0	0	0	0	350	
	Water Revenue	85	0	0	0	0	85	
	Other Local Governments	780	0	0	0	0	780	
	<b>Total</b>	<b>7,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,855</b>	
PV063 Unpaved Alley Construction	Net Debt Bonds	150	150	150	150	150	750	
	Special Assessments	150	150	150	150	150	750	
	<b>Total</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>1,500</b>	
PV067 Nawadaha Blvd & Minnehaha Ave	Net Debt Bonds	0	0	1,250	0	0	1,250	
	Municipal State Aid	0	0	2,240	0	0	2,240	
	Special Assessments	0	0	350	0	0	350	



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

**PUBLIC WORKS DEPARTMENT**

		Budget in Thousands	2012	2013	2014	2015	2016	Total
STREET PAVING	PV067 Nawadaha Blvd & Minnehaha Ave	Stormwater Revenue	0	0	400	0	0	400
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,240</b>	<b>0</b>	<b>0</b>	<b>4,240</b>
	PV068 LaSalle Ave (Grant to 8th)	Net Debt Bonds	0	0	1,550	0	0	1,550
		Municipal State Aid	0	0	1,950	0	0	1,950
		Special Assessments	0	0	670	0	0	670
		Stormwater Revenue	0	0	500	0	0	500
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,670</b>	<b>0</b>	<b>0</b>	<b>4,670</b>
	PV069 Penn Ave S (50th to Crosstown)	Net Debt Bonds	0	5,000	2,350	0	0	7,350
		Municipal State Aid	0	2,390	695	0	0	3,085
		Special Assessments	0	2,025	800	0	0	2,825
		Stormwater Revenue	0	0	250	0	0	250
	<b>Total</b>	<b>0</b>	<b>9,415</b>	<b>4,095</b>	<b>0</b>	<b>0</b>	<b>13,510</b>	
	PV070 Riverside Phase II - 4th St/15th Ave	Net Debt Bonds	0	0	1,000	0	0	1,000
		Special Assessments	0	0	250	0	0	250
		Other Local Governments	0	0	3,750	0	0	3,750
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	
	PV071 38th St E (Hiawatha to Minnehaha)	Net Debt Bonds	0	0	0	0	490	490
		Municipal State Aid	0	0	0	0	1,735	1,735
		Special Assessments	0	0	0	0	185	185
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,410</b>	<b>2,410</b>	
	PV072 Pedestrian Improvements Program	Net Debt Bonds	0	0	0	0	200	200
Federal Government Grants		0	0	0	0	1,000	1,000	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,200</b>	<b>1,200</b>		
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Net Debt Bonds	0	300	430	3,785	0	4,515	
	Municipal State Aid	0	0	0	1,085	2,150	3,235	
	Special Assessments	0	0	0	1,370	0	1,370	
<b>Total</b>	<b>0</b>	<b>300</b>	<b>430</b>	<b>6,240</b>	<b>2,150</b>	<b>9,120</b>		
PV074 CSAH & MnDOT Cooperative Projects	Net Debt Bonds	600	1,010	405	450	950	3,415	
	Municipal State Aid	0	0	815	0	0	815	
	Special Assessments	750	800	940	750	750	3,990	
<b>Total</b>	<b>1,350</b>	<b>1,810</b>	<b>2,160</b>	<b>1,200</b>	<b>1,700</b>	<b>8,220</b>		
PV075 Development Infrastructure Program	Net Debt Bonds	500	3,700	1,200	2,500	960	8,860	
	Transfer from Special Revenue Funds	500	0	0	0	0	500	
<b>Total</b>	<b>1,000</b>	<b>3,700</b>	<b>1,200</b>	<b>2,500</b>	<b>960</b>	<b>9,360</b>		
PV078 Central Corridor Station Area Improvements	Net Debt Bonds	500	0	0	0	0	500	
	Transfer from Special Revenue Funds	500	0	0	0	0	500	
<b>Total</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>		



**Minneapolis** **Capital Budget Detail for Funded Projects**  
 City of Lakes **Council Adopted Budget**

**PUBLIC WORKS DEPARTMENT**

			Budget in Thousands					
			2012	2013	2014	2015	2016	Total
<b>STREET PAVING</b>	<b>PV079 Pavement Maintenance Equipment</b>	Net Debt Bonds	700	0	0	0	0	<b>700</b>
		<b>Total</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>
	<b>PV99R Reimbursable Paving Projects</b>	Reimbursements	3,500	3,500	3,500	3,500	3,500	<b>17,500</b>
		<b>Total</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>17,500</b>
	<b>Total for STREET PAVING</b>			<b>35,118</b>	<b>79,227</b>	<b>45,354</b>	<b>78,290</b>	<b>30,652</b>
<b>SIDEWALKS</b>	<b>SWK01 Defective Hazardous Sidewalks</b>	Net Debt Bonds	275	285	295	305	315	<b>1,475</b>
		Special Assessments	2,795	2,925	3,070	3,215	3,405	<b>15,410</b>
		<b>Total</b>	<b>3,070</b>	<b>3,210</b>	<b>3,365</b>	<b>3,520</b>	<b>3,720</b>	<b>16,885</b>
	<b>Total for SIDEWALKS</b>			<b>3,070</b>	<b>3,210</b>	<b>3,365</b>	<b>3,520</b>	<b>3,720</b>
<b>BRIDGES</b>	<b>BR101 Major Bridge Repair and Rehabilitation</b>	Net Debt Bonds	300	600	400	400	400	<b>2,100</b>
		<b>Total</b>	<b>300</b>	<b>600</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>2,100</b>
	<b>BR111 10th Ave SE Bridge Arch Rehabilitation</b>	Federal Government Grants	0	0	5,125	0	0	<b>5,125</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,125</b>	<b>0</b>	<b>0</b>	<b>5,125</b>
	<b>BR114 Midtown Corridor Bridge Preservation Program</b>	Net Debt Bonds	0	1,200	0	0	0	<b>1,200</b>
		Municipal State Aid	0	75	0	0	0	<b>75</b>
		Federal Government Grants	0	1,000	0	0	0	<b>1,000</b>
		<b>Total</b>	<b>0</b>	<b>2,275</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,275</b>
	<b>BR116 Bridge 9 Improvements</b>	Net Debt Bonds	0	0	815	0	0	<b>815</b>
		Federal Government Grants	0	0	1,000	0	0	<b>1,000</b>
<b>Total</b>		<b>0</b>	<b>0</b>	<b>1,815</b>	<b>0</b>	<b>0</b>	<b>1,815</b>	
<b>Total for BRIDGES</b>			<b>300</b>	<b>2,875</b>	<b>7,340</b>	<b>400</b>	<b>400</b>	<b>11,315</b>
<b>TRAFFIC CONTROL &amp; STREET LIGHTING</b>	<b>TR008 Parkway Street Light Replacement</b>	Net Debt Bonds	150	150	350	350	350	<b>1,350</b>
		Transfer from Special Revenue Funds	150	150	0	0	0	<b>300</b>
		<b>Total</b>	<b>300</b>	<b>300</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>1,650</b>
	<b>TR010 Traffic Management Systems</b>	Net Debt Bonds	25	0	0	400	400	<b>825</b>
		Municipal State Aid	50	0	0	400	400	<b>850</b>
		Federal Government Grants	400	0	0	2,500	2,500	<b>5,400</b>
		Hennepin County Grants	50	0	0	500	500	<b>1,050</b>
		<b>Total</b>	<b>525</b>	<b>0</b>	<b>0</b>	<b>3,800</b>	<b>3,800</b>	<b>8,125</b>
	<b>TR011 City Street Light Renovation</b>	Net Debt Bonds	200	100	350	350	350	<b>1,350</b>
		Transfer from Special Revenue Funds	900	900	0	0	0	<b>1,800</b>
		<b>Total</b>	<b>1,100</b>	<b>1,000</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>3,150</b>
	<b>TR021 Traffic Signals</b>	Net Debt Bonds	985	1,700	1,785	1,825	1,925	<b>8,220</b>
Municipal State Aid		815	0	125	175	125	<b>1,240</b>	
Federal Government Grants		2,400	0	0	0	0	<b>2,400</b>	





**Minneapolis** **Capital Budget Detail for Funded Projects**  
*City of Lakes* **Council Adopted Budget**

**PUBLIC  
WORKS  
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			Budget in Thousands		2012	2013	2014	2015	2016	Total
<b>TRAFFIC CONTROL &amp; STREET LIGHTING</b>	<b>TR021 Traffic Signals</b>	Hennepin County Grants	400	0	125	125	125			<b>775</b>
		<b>Total</b>	<b>4,600</b>	<b>1,700</b>	<b>2,035</b>	<b>2,125</b>	<b>2,175</b>			<b>12,635</b>
	<b>TR022 Traffic Safety Improvements</b>	Net Debt Bonds	875	850	965	290	350			<b>3,330</b>
		Municipal State Aid	505	320	575	225	200			<b>1,825</b>
		Federal Government Grants	500	0	0	430	500			<b>1,430</b>
		Hennepin County Grants	247	152	486	80	100			<b>1,065</b>
		State Government Grants	23	23	23	0	0			<b>69</b>
		Other Miscellaneous Revenues	60	60	61	0	0			<b>181</b>
		<b>Total</b>	<b>2,210</b>	<b>1,405</b>	<b>2,110</b>	<b>1,025</b>	<b>1,150</b>			<b>7,900</b>
	<b>TR023 Trunk Highway 55 Signal Improvements</b>	Net Debt Bonds	100	0	0	0	0			<b>100</b>
		Other Local Governments	850	0	0	0	0			<b>850</b>
		<b>Total</b>	<b>950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>950</b>
	<b>TR99R Reimbursable Transportation Projects</b>	Reimbursements	600	600	600	600	600			<b>3,000</b>
		<b>Total</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>			<b>3,000</b>
	<b>Total for TRAFFIC CONTROL &amp; STREET LIGHTING</b>			<b>10,285</b>	<b>5,005</b>	<b>5,445</b>	<b>8,250</b>	<b>8,425</b>		
<b>BIKE TRAILS</b>	<b>BIK20 Hiawatha LRT Trail Lighting</b>	Net Debt Bonds	0	0	375	0	0			<b>375</b>
		Federal Government Grants	0	0	1,000	0	0			<b>1,000</b>
		Other Local Governments	0	0	200	0	0			<b>200</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,575</b>	<b>0</b>	<b>0</b>			<b>1,575</b>
	<b>BIK24 Major Bike Maintenance Program</b>	Transfer from Special Revenue Funds	100	100	0	0	0			<b>200</b>
		<b>Total</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>200</b>
	<b>BIK25 Bluff Street Bike Trail Project</b>	Net Debt Bonds	800	0	0	0	0			<b>800</b>
		State Government Grants	1,200	0	0	0	0			<b>1,200</b>
		<b>Total</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>2,000</b>
	<b>Total for BIKE TRAILS</b>			<b>2,100</b>	<b>100</b>	<b>1,575</b>	<b>0</b>	<b>0</b>		
<b>SANITARY SEWERS</b>	<b>SA001 Sanitary Tunnel &amp; Sewer Rehabilitation Program</b>	Sanitary Bonds	3,500	4,000	4,000	4,000	3,750			<b>19,250</b>
		<b>Total</b>	<b>3,500</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>3,750</b>			<b>19,250</b>
	<b>SA036 Infiltration &amp; Inflow Removal Program</b>	Sanitary Bonds	3,000	3,000	3,000	3,000	2,500			<b>14,500</b>
		<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>2,500</b>			<b>14,500</b>
<b>Total for SANITARY SEWERS</b>			<b>6,500</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>6,250</b>			<b>33,750</b>
<b>STORM SEWERS</b>	<b>SW004 Implementation of US EPA Storm Water Regulations</b>	Stormwater Revenue	250	250	250	250	250			<b>1,250</b>
		<b>Total</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>			<b>1,250</b>
	<b>SW005 Combined Sewer Overflow Improvements</b>	Stormwater Bonds	1,500	1,500	1,500	1,500	1,500			<b>7,500</b>
		<b>Total</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>			<b>7,500</b>
	<b>SW011 Storm Drains and Tunnels Rehabilitation Program</b>	Stormwater Bonds	7,500	8,000	7,700	6,600	7,900			<b>37,700</b>
		Stormwater Revenue	1,000	1,500	1,500	1,500	1,500			<b>7,000</b>
<b>Total</b>		<b>8,500</b>	<b>9,500</b>	<b>9,200</b>	<b>8,100</b>	<b>9,400</b>			<b>44,700</b>	



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

**PUBLIC WORKS DEPARTMENT**

			Budget in Thousands		2012	2013	2014	2015	2016	Total
<b>STORM SEWERS</b>	<b>SW018 Flood Area 29 &amp; 30 - Fulton Neighborhood</b>	Stormwater Bonds	0	0	900	1,055	0	1,955		
		Other Local Governments	0	0	2,388	5,525	0	7,913		
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>3,288</b>	<b>6,580</b>	<b>0</b>	<b>9,868</b>		
	<b>SW032 I-35W Storm Tunnel Reconstruction</b>	Stormwater Bonds	0	0	0	0	1,000	1,000		
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>		
	<b>SW033 Flood Area 22 - Sibley Field</b>	Stormwater Revenue	0	280	0	0	0	280		
		Other Local Governments	0	2,735	0	0	0	2,735		
		<b>Total</b>	<b>0</b>	<b>3,015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,015</b>		
	<b>SW034 Flood Area 21 - Bloomington Pond</b>	Stormwater Revenue	0	445	0	0	0	445		
		Other Local Governments	0	4,395	0	0	0	4,395		
		<b>Total</b>	<b>0</b>	<b>4,840</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,840</b>		
	<b>SW039 Flood Mitigation with Alternative Stormwater Mgmt</b>	Stormwater Bonds	0	1,000	2,000	2,000	2,000	7,000		
		Stormwater Revenue	1,000	1,000	1,000	1,000	1,000	5,000		
		<b>Total</b>	<b>1,000</b>	<b>2,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>12,000</b>		
	<b>SW99R Reimbursable Sewer &amp; Storm Drain Projects</b>	Reimbursements	3,000	3,000	3,000	3,000	3,000	15,000		
<b>Total</b>		<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>15,000</b>			
<b>Total for STORM SEWERS</b>			<b>14,250</b>	<b>24,105</b>	<b>20,238</b>	<b>22,430</b>	<b>18,150</b>	<b>99,173</b>		
<b>WATER INFRASTRUCTURE</b>	<b>WTR12 Water Distribution Improvements</b>	Water Revenue	5,300	5,000	5,000	5,000	5,000	25,300		
		<b>Total</b>	<b>5,300</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>25,300</b>		
	<b>WTR18 Hiawatha Water Maintenance Facility</b>	Water Bonds	0	3,000	0	0	0	3,000		
		<b>Total</b>	<b>0</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>		
	<b>WTR23 Treatment Infrastructure Improvements</b>	Water Revenue	4,000	4,000	5,000	5,000	5,000	23,000		
		<b>Total</b>	<b>4,000</b>	<b>4,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>23,000</b>		
	<b>WTR24 Fridley Filter Rehabilitation</b>	Water Bonds	0	17,000	0	0	20,000	37,000		
		Water Revenue	100	0	0	0	0	100		
		<b>Total</b>	<b>100</b>	<b>17,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>37,100</b>		
	<b>WTR9R Reimbursable Watermain Projects</b>	Reimbursements	2,000	2,000	2,000	2,000	2,000	10,000		
<b>Total</b>		<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>10,000</b>			
<b>Total for WATER INFRASTRUCTURE</b>			<b>11,400</b>	<b>31,000</b>	<b>12,000</b>	<b>12,000</b>	<b>32,000</b>	<b>98,400</b>		
<b>PARKING RAMPS</b>	<b>RMP01 Parking Facilities - Repair and Improvements</b>	Parking Bonds	1,700	1,700	1,700	1,700	1,700	8,500		
		<b>Total</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>8,500</b>		
	<b>Total for PARKING RAMPS</b>			<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>8,500</b>		

<b>BUSINESS INFORMATION SERVICES</b>	<b>BIS03 Enterprise Content Management</b>	Net Debt Bonds	400	350	300	250	0	1,300		
		<b>Total</b>	<b>400</b>	<b>350</b>	<b>300</b>	<b>250</b>	<b>0</b>	<b>1,300</b>		
	<b>BIS04 Enterprise Infrastructure Modernization</b>	Net Debt Bonds	750	750	750	750	750	3,750		
		<b>Total</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>3,750</b>		
<b>BIS32 Mobile Computing Framework</b>	Net Debt Bonds	125	125	0	0	0	250			
	<b>Total</b>	<b>125</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>			
<b>Total for Business Information Services</b>			<b>1,275</b>	<b>1,225</b>	<b>1,050</b>	<b>1,000</b>	<b>750</b>	<b>5,300</b>		

<b>MISCELLANEOUS PROJECTS</b>	<b>ART01 Art in Public Places</b>	Net Debt Bonds	346	354	361	400	408	1,869		
		<b>Total</b>	<b>346</b>	<b>354</b>	<b>361</b>	<b>400</b>	<b>408</b>	<b>1,869</b>		



**Capital Budget Detail for Funded Projects**  
**Council Adopted Budget**

		Budget in Thousands	2012	2013	2014	2015	2016	Total
<b>MISCELLANEOUS PROJECTS</b>	<b>CNV01 Convention Center Domes Repair</b>	Other Miscellaneous Revenues	5,000	0	0	0	0	<b>5,000</b>
		<b>Total</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
	<b>CTY02 City Property Reforestation</b>	Net Debt Bonds	150	150	150	150	150	<b>750</b>
		<b>Total</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>750</b>
	<b>FIR11 New Fire Station No. 11</b>	Net Debt Bonds	0	0	0	1,475	4,250	<b>5,725</b>
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,475</b>	<b>4,250</b>	<b>5,725</b>
<b>PSD03 Facilities - Space Improvements</b>	Net Debt Bonds	500	750	750	750	750	<b>3,500</b>	
	<b>Total</b>	<b>500</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>3,500</b>	
<b>PSD12 Pioneers &amp; Soldiers Cemetery Fencing - Phase II</b>	Net Debt Bonds	250	250	0	0	0	<b>500</b>	
	State Government Grants	200	250	0	0	0	<b>450</b>	
	<b>Total</b>	<b>450</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>950</b>	
<b>Total for Miscellaneous Projects</b>			<b>6,446</b>	<b>1,754</b>	<b>1,261</b>	<b>2,775</b>	<b>5,558</b>	<b>17,794</b>
<b>Grand Total</b>			<b>100,125</b>	<b>167,955</b>	<b>114,613</b>	<b>145,245</b>	<b>113,725</b>	<b>641,663</b>



## Net Debt Bond Allocation

### Council Adopted Budget

Summarized by Major Type of Infrastructure

Description of Category		2012	2013	2014	2015	2016	Total
MUNICIPAL BUILDING COMMISSION		1,106	1,924	2,170	1,680	520	<b>7,400</b>
<i>Percentage Allocated to MBC</i>		<i>4.3%</i>	<i>4.8%</i>	<i>7.3%</i>	<i>5.8%</i>	<i>2.1%</i>	<i>5%</i>
Park Board Capital Program*		2,500	5,000	2,500	2,500	2,500	<b>15,000</b>
<i>Percentage allocated to Park Board</i>		<i>9.6%</i>	<i>12.4%</i>	<i>8.4%</i>	<i>8.6%</i>	<i>10.0%</i>	<i>10%</i>
PUBLIC WORKS DEPARTMENT	FACILITY IMPROVEMENTS	1,575	1,330	1,615	1,700	1,700	<b>7,920</b>
	STREET PAVING	14,588	24,377	15,669	15,580	9,882	<b>80,096</b>
	SIDEWALKS	275	285	295	305	315	<b>1,475</b>
	BRIDGES	300	1,800	1,215	400	400	<b>4,115</b>
	TRAFFIC CONTROL & STREET LIGHTING	2,335	2,800	3,450	3,215	3,375	<b>15,175</b>
	BIKE TRAILS	800		375			<b>1,175</b>
Public Works Sub-Total		<b>19,873</b>	<b>30,592</b>	<b>22,619</b>	<b>21,200</b>	<b>15,672</b>	<b>109,956</b>
<i>Percentage allocated to Public Works</i>		<i>76.4%</i>	<i>76.0%</i>	<i>76.4%</i>	<i>72.7%</i>	<i>62.7%</i>	<i>73%</i>
BUSINESS INFORMATION SERVICES		1,275	1,225	1,050	1,000	750	<b>5,300</b>
<i>Percentage allocated to BIS</i>		<i>4.9%</i>	<i>3.0%</i>	<i>3.5%</i>	<i>3.4%</i>	<i>3.0%</i>	<i>4%</i>
MISCELLANEOUS PROJECTS		1,246	1,504	1,261	2,775	5,558	<b>12,344</b>
<i>Percentage allocated to Misc. Projects</i>		<i>4.8%</i>	<i>3.7%</i>	<i>4.3%</i>	<i>9.5%</i>	<i>22.2%</i>	<i>8%</i>
<i>Percentage Allocated to City Departments</i>		<b>86.1%</b>	<b>82.8%</b>	<b>84.2%</b>	<b>85.7%</b>	<b>87.9%</b>	<b>85%</b>
Total Net Debt Bond Allocation (in thousands)		<b>26,000</b>	<b>40,245</b>	<b>29,600</b>	<b>29,155</b>	<b>25,000</b>	<b>150,000</b>

\* This amount is only the net debt bond portion of Park Board Capital funding. They also have a Capital Levy and a share of the infrastructure acceleration program funding.

## 2012 - 2016 Council Adopted Capital Resources For Expanded Net Debt Bond Program and Infrastructure Acceleration Program

<b>Recommended Resources by Category</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Totals (000's)</b>
<b>Available Resources:</b>						
Net Debt Bond (NDB) Authorizations	18,310	18,675	19,050	20,000	20,400	96,435
City Council Adjustment for 2012 - 2014	-1,000	-1,000	-1,000	0	0	-3,000
<b>2012 - 2016 Original NDB Resources</b>	<b>17,310</b>	<b>17,675</b>	<b>18,050</b>	<b>20,000</b>	<b>20,400</b>	<b>93,435</b>
<b>Expanded NDB Resources for Capital:</b>						
Net Debt Bond increases by year	8,690	22,570	11,550	9,155	4,600	56,565
<b>2012 - 2016 Council Adopted NDB Resources</b>	<b>26,000</b>	<b>40,245</b>	<b>29,600</b>	<b>29,155</b>	<b>25,000</b>	<b>150,000</b>
<b>Infrastructure Acceleration Program:</b>						
Transfer from Hilton Trust Legacy Fund	5,500	4,800	0	0	0	10,300
<b>Total Council Resources for Capital Programs</b>	<b>31,500</b>	<b>45,045</b>	<b>29,600</b>	<b>29,155</b>	<b>25,000</b>	<b>160,300</b>

Notes:

\* - Adjustments represent dollars advanced to or from capital projects in prior years.

This resource summary represents the City's commitment for General Infrastructure assets which includes parks, public buildings, streets, bridges, bike trails, traffic signals and any other capital assets used for providing basic city services. These resources also leverage significant additional funding from special assessments, municipal state aid, other government grants, etc.

### 2012 Bond Redemption Levy for Capital Program

	<b>Amount (000's)</b>	<b>Notes</b>
Tax Levy Certified for Bond Redemption in 2011	18,500	For supporting Capital Program only
Bond Redemption Levy Adjustment	250	Per Five-Year Financial Direction 2012 - 2016
<b>Tax Levy Certified for Bond Redemption in 2012</b>	<b>18,750</b>	For supporting New Capital Programs

**INFRASTRUCTURE ACCELERATION PROGRAM (IAP)  
COUNCIL ADOPTED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	IAP FUNDING*	TOTAL BY YEAR
(in thousands)								
2012	PV001	Parkway Paving Program	500	0	50	0	150	700
2013			500	0	50	0	150	700
<b>Total</b>			<b>1,000</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>300</b>	<b>1,400</b>
2012	PV006	Alley Renovation Program	0	0	50	0	200	250
2013			0	0	50	0	200	250
<b>Total</b>			<b>0</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>400</b>	<b>500</b>
2012	PV056	Asphalt Pavement Resurfacing Program	1,110	500	1,400	0	1,000	4,010
2013			600	500	1,600	0	2,000	4,700
<b>Total</b>			<b>1,710</b>	<b>1,000</b>	<b>3,000</b>	<b>0</b>	<b>3,000</b>	<b>8,710</b>
2012	PV059	Major Pavement Maintenance Program	0	0	0	0	1,000	1,000
2013			0	0	0	0	800	800
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,800</b>	<b>1,800</b>
2012	PV061	High Volume Corridor Reconditioning Program	1,785	0	650	0	500	2,935
2013			7,032	500	2,000	0	0	9,532
<b>Total</b>			<b>8,817</b>	<b>500</b>	<b>2,650</b>	<b>0</b>	<b>500</b>	<b>12,467</b>
2012	PV075	Development Infrastructure Program	500	0	0	0	500	1,000
2013			3,700	0	0	0	0	3,700
<b>Total</b>			<b>4,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>4,700</b>
2012	PV078	Central Corridor Station Area Improvements	500	0	0	0	500	1,000
2013			0	0	0	0	0	0
<b>Total</b>			<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>1,000</b>
2012	TR008	Parkway Street Light Replacement	150	0	0	0	150	300
2013			150	0	0	0	150	300
<b>Total</b>			<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>600</b>
2012	TR011	City Street Light Renovation	200	0	0	0	900	1,100
2013			100	0	0	0	900	1,000
<b>Total</b>			<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,250</b>	<b>3,000</b>
2012	BIK24	Major Bike Maintenance Program	0	0	0	0	100	100
2013			0	0	0	0	100	100
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>200</b>
2012	PRK03	Shelter - Pool - Site Improvements Program	0	0	0	600	500	1,100
2013			0	0	0	500	500	1,000
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1,100</b>	<b>1,000</b>	<b>2,100</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	IAP FUNDING	TOTAL BY YEAR
<b>2012</b>	4,745	500	2,150	600	5,500	13,495
<b>2013</b>	8,382	1,000	3,700	500	4,800	18,382
<b>Total Funding Sources</b>	<b>13,127</b>	<b>1,500</b>	<b>5,850</b>	<b>1,100</b>	<b>10,300</b>	<b>31,877</b>

**Funding Sources as a percent of Total**      **41.2%**      **4.7%**      **18.4%**      **3.5%**      **32.3%**      **100.0%**

\* Funding for the IAP program is coming from one-time trust fund resources.  
The above table shows the acceleration of capital improvements provided by the IAP funding in the final two years of the five-year plan which started in 2009.

## Council Adopted Utility Rates

### Supporting 2012 - 2016 Enterprise Operations, Capital Programs & Debt Repayment

#### Stormwater Rates

**2011 Council Adopted Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change
01/01/11	0.320	11.42	3.0%
01/01/12	0.280	11.70	2.5%
01/01/13	0.230	11.93	2.0%
01/01/14	0.240	12.17	2.0%
01/01/15	0.240	12.41	2.0%

**2012 Council Adopted Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change***
01/01/11		11.42	
01/01/12	0.280	11.70	2.5%
01/01/13	0.230	11.93	2.0%
01/01/14	0.240	12.17	2.0%
01/01/15	0.240	12.41	2.0%
01/01/16	0.240	12.65	1.9%

\* - Expressed in \$/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area.

#### Sanitary Sewer Rates

**2011 Council Adopted Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/11	0.120	3.05	4.1%
01/01/12	0.130	3.18	4.3%
01/01/13	0.110	3.29	3.5%
01/01/14	0.130	3.42	4.0%
01/01/15	0.150	3.57	4.4%

**2012 Council Adopted Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/11		3.05	
01/01/12	0.000	3.05	0.0%
01/01/13	0.090	3.14	3.0%
01/01/14	0.100	3.24	3.2%
01/01/15	0.100	3.34	3.1%
01/01/16	0.100	3.44	3.0%

In addition to the above rates which are based on water usage, a fixed charge based on meter size will be charged each billing period. The fixed charge will range from \$3.00 for a 5/8 inch meter to \$990 per month for a 12 inch meter.

#### Water Rates

**2011 Council Adopted Water Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/11	0.150	3.20	4.9%
01/01/12	0.160	3.36	5.0%
01/01/13	0.180	3.54	5.4%
01/01/14	0.180	3.72	5.1%
01/01/15	0.170	3.89	4.6%

**2012 Council Adopted Water Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/11		3.20	
01/01/12	0.000	3.20	0.0%
01/01/13	0.110	3.31	3.4%
01/01/14	0.120	3.43	3.6%
01/01/15	0.100	3.53	2.9%
01/01/16	0.110	3.64	3.1%

In addition to the above rates which are based on water usage, a fixed charge based on meter size will be charged each billing period. The fixed charge will range from \$2.00 for a 5/8 inch meter to \$660 per month for a 12 inch meter.

\*\* - Sanitary Sewer and Water Rates are expressed in \$/100 Cubic Feet of Water Consumption

\*\*\* - For 2012 and beyond, the Stormwater rate increases are the same as the prior year adopted rates.



## MUNICIPAL BUILDING COMMISSION

### **MBC01 Life Safety Improvements**

The MBC life safety program includes installation of building sprinkler, fire alarm, smoke detection, and public address systems.

### **MBC02 Mechanical Systems Upgrade**

The MBC Mechanical Systems Upgrade includes renovation and upgrade of the heating, ventilating and air conditioning (HVAC) systems in City Hall.

### **MBC04 MBC Elevators**

Upgrade of 5 Elevators in City Hall.

### **MBC06 Clock Tower Upgrade**

This project will repair the four clock faces and structural elements of the large clock in the tower at City Hall.

### **MBC09 Critical Power Capital Project**

The project will upgrade emergency power systems in the City Hall.

### **CTY01 Restoration of Historic Reception Room**

Historic restoration of a reception hall for public meetings and ceremonies.

## PARK BOARD

### **PRK01 Recreation Center and Site Improvements Program**

New center at Northeast Park and improved energy efficiency, accessibility, HVAC, roofing/interior features for 6 rec centers.

### **PRK02 Playground and Site Improvements Program**

This project will reconfigure and replace worn out play equipment and additional amenities where budget allows.

### **PRK03 Shelter - Pool - Site Improvements Program**

New water recreation and picnic facilities at Webber Park, and pool upgrades at selected parks.

### **PRK04 Athletic Fields and Site Improvements Program**

Improvements include soil amendments, re-grading, re-seeding, irrigation, lighting, drainage, amenities and parking.

### **PRK22 Parking Lot and Lighting Improvement Program**

Upgrade of four parking lots to current standards.

### **PRKCP Neighborhood Parks Capital Infrastructure**

Replacement of infrastructure such as roofs, sidewalks, HVAC, gym floors, etc.

### **PRKDT Diseased Tree Removal**

Removing diseased trees from private property.

## PUBLIC WORKS DEPARTMENT

### **PSD01 Facilities - Repair and Improvements**





This is an on-going Capital Maintenance Program intended for repairs and improvements to City owned and operated Facilities.

### **PSD11 Energy Conservation and Emission Reduction**

This project is an ongoing capital program that provides funding for investment in energy conservation and emission reduction strategies for the City's municipal operations.

### **PV001 Parkway Paving Program**

The objective is to re-evaluate the pavement condition and annual maintenance expenditures of all parkway paving areas that were constructed with a bituminous surface 30 years ago. The program would renovate instead of totally reconstructing the roadways.

### **PV003 Street Renovation Program**

The objective of the street renovation program is to renovate neighborhood paving areas that were constructed as part of the Residential Paving Program more than 30 years ago.

### **PV005 Snelling Ave Extension**

This project extends Snelling Avenue south of 46th St E & Hiawatha Avenue.

### **PV006 Alley Renovation Program**

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

### **PV007 University Research Park/Central Corridor**

Infrastructure improvements for a large redevelopment area.

### **PV019 6th Ave N (5th St N to dead end north of Wash Ave N)**

Reconstruction of a deteriorated roadway in the North Loop Historic District.

### **PV021 33rd Ave SE and Talmage Ave**

Paving of a currently unpaved oiled dirt roadway.

### **PV027 Hennepin/Lyndale**

Reconstruction of existing roadway.

### **PV035 TH121/Lyndale Ave S**

This project will reduce the size of the existing street from a multi-lane divided highway to a lower speed urban street and will be a complete reconstruction of TH 121 and the connecting street grid of existing cross streets.

### **PV038 Winter St NE Residential/Commercial**

This project will reconstruct various oil dirt streets that were not completed with the 30 year residential paving program.

### **PV056 Asphalt Pavement Resurfacing Program**

The objective of this program is to resurface approximately 15 to 20 miles of streets each year to extend their useful life. Resurfacing will help to slow the deterioration of the city's aging street network and delay the cost of reconstructing the roadway by at least 10 years.

### **PV057 Nicollet Ave (Lake St E to 40th St E)**

The proposed roadway will consist of two traffic lanes (one in each direction) and parking on both sides, with new curb and gutter and sidewalks. Public Works is directed to ensure that the design for this roadway allows for the future potential for street cars to use this street.



### **PV059 Major Pavement Maintenance Program**

This is one of several projects receiving funding from the Mayor's Infrastructure Acceleration Program which will upgrade pavement conditions and/or extend the life of the roadways in the City.

### **PV061 High Volume Corridor Reconditioning Program**

This program focuses on the reconditioning of the driving surface of the high volume corridors to extend their expected life span by 10 years.

### **PV062 Riverside Ave (Cedar Ave to Franklin Ave E)**

This project will reconstruct Riverside Avenue from Cedar Avenue to Franklin Avenue.

### **PV063 Unpaved Alley Construction**

The existing residential alley system is composed of over 3,500 concrete and 79 dirt surfaced alleys. This program will focus on the paving of the dirt surfaced alleys using the standard residential concrete alley design which uses a 6" V-section concrete pavement.

### **PV067 Nawadaha Blvd & Minnehaha Ave**

Reconstruction of existing roadway.

### **PV068 LaSalle Ave (Grant to 8th)**

Reconstruction of existing roadway.

### **PV069 Penn Ave S (50th to Crosstown)**

Reconstruction of existing street.

### **PV070 Riverside Phase II - 4th St/15th Ave**

This project would construct paving improvements to the roads adjacent to the northern end of the Riverside Ave paving project.

### **PV071 38th St E (Hiawatha to Minnehaha)**

Reconstruction of the existing roadway in conjunction with the 38th St. LRT station area.

### **PV072 Pedestrian Improvements Program**

Addition of pedestrian improvements to existing streets.

### **PV073 26th Ave N (W Broadway to Lyndale Ave N)**

Reconstruction of existing roadway and addition of Off Street Bike Path.

### **PV074 CSAH & MnDOT Cooperative Projects**

Project funding to be used for City's share of cooperative paving/bridge projects with Hennepin County and MnDOT.

### **PV075 Development Infrastructure Program**

This program is being created to provide funding for infrastructure related to development projects to spur growth of the tax base as opportunities arise.

### **PV078 Central Corridor Station Area Improvements**

The purpose of this project is to make improvements in the public right of way which enhance value at key light rail station areas.

### **PV079 Pavement Maintenance Equipment**



This project involves the purchase and installation of a hot mix asphalt storage and transfer facility (asphalt silo), and an accompanying storage and distribution tank for heated liquid asphalt cement (liquid AC tank). This project will also purchase an asphalt rubble recycling machine to allow for reuse of waste asphalt collected during the summer season to be reheated and reused in the winter.. This equipment will allow for more operating flexibility and less trucking time due to the central location within the City and will allow for hot mix patching in the winter which adheres better than the cold patch mix previously used.

### **PV99R Reimbursable Paving Projects**

Work to be done for others with 100% recovery from requesting agency.

### **SWK01 Defective Hazardous Sidewalks**

To provide a hazard free pedestrian passage over approximately 2,000 miles of public sidewalk by inspecting and replacing defective public sidewalks and adding ADA compliant curb ramps where needed.

### **BR101 Major Bridge Repair and Rehabilitation**

Major repair and rehabilitation of existing city bridges to extend the operational life.

### **BR111 10th Ave SE Bridge Arch Rehabilitation**

The project proposes to protect a large city investment by repairing concrete on the spandrel columns, floor beams and arches.

### **BR112 Nicollet Ave Reopening**

This project would recreate the city grid system by making Nicollet Ave a continuous street which would help to foster development along Nicollet Ave.

### **BR114 Midtown Corridor Bridge Preservation Program**

The purpose of the program will be to maintain and enhance the physical infrastructure, correct current deficiencies, provide for future development and transportation needs.

### **BR116 Bridge 9 Improvements**

This project will rehabilitate a pedestrian and bicycle bridge over the Mississippi River stretching from the east bank to the west bank of the University of Minnesota. This 925 foot bridge is also part of the City's trail system for downtown commuters.

### **BR117 1st St N Bridge over Bassett's Creek**

Reconstruction of a structurally deficient bridge.

### **TR008 Parkway Street Light Replacement**

This project consists of replacement of deteriorated services, poles, fixtures and electrical wiring associated with the lighting systems in place along the parkways throughout the City.

### **TR010 Traffic Management Systems**

This project consists of updating the Traffic Management Center and retiming all the traffic signal systems within the City.

### **TR011 City Street Light Renovation**

This project consists of renovating the City's existing decorative street lighting facilities.

### **TR021 Traffic Signals**

This project consists of replacing old and outdated traffic signal equipment.

### **TR022 Traffic Safety Improvements**



This project consists of seven traffic related improvements: 1) Overhead Signal Additions, 2) Operational and Safety Improvements, 3) Signal and Delineation, 4) Mastarm Mounted Street Name Signing, 5) Street & Bridge Navigation Lighting, 6) Pedestrian Safety, and 7) Railroad Crossing Safety.

### **TR023 Trunk Highway 55 Signal Improvements**

Improve traffic operations in the Hiawatha Corridor (Trunk Highway 55).

### **TR99R Reimbursable Transportation Projects**

Work for others funding to be reimbursed by department, business or individuals requesting the work.

### **BIK20 Hiawatha LRT Trail Lighting**

This project will provide lighting along the Hiawatha LRT trail from 11th Ave S to 28th St E.

### **BIK24 Major Bike Maintenance Program**

Funds for major bicycle maintenance improvements.

### **BIK25 Bluff Street Bike Trail Project**

The Bluff Street Bike Trail is a new off-street bike trail that connects Bridge 9 to 13th Ave S. The proposed trail will connect bicyclists using Bridge 9 to cross the Mississippi River to proposed on-street bike lanes on 13th Ave S then to existing on-street bike lanes on 2nd St S. This connection will close a gap in the bicycle network and allow bicyclists to seamlessly travel from downtown to the east bank and vice versa.

### **SA001 Sanitary Tunnel & Sewer Rehabilitation Program**

The Rehab and Repair of Sanitary Sewer pipes, Lift Stations & Tunnels.

### **SA036 Infiltration & Inflow Removal Program**

The focus of this program is to remove Inflow and Infiltration from the sanitary sewer system and redirect this clear water to the storm sewer system and/or other best management practices.

### **SW004 Implementation of US EPA Storm Water Regulations**

This project provides solutions for Stormwater pollution mitigation measures.

### **SW005 Combined Sewer Overflow Improvements**

Construction of stormwater systems so that catch basins and drains in public ROW can be disconnected from the sanitary sewer and reconnected to a storm sewer.

### **SW011 Storm Drains and Tunnels Rehabilitation Program**

The rehab and repair of storm pipes, pump stations and tunnels throughout the City.

### **SW018 Flood Area 29 & 30 - Fulton Neighborhood**

The goal of this project is to protect Fulton neighborhood homes and businesses from flooding by using runoff volume and runoff rate control.

### **SW032 I-35W Storm Tunnel Reconstruction**

Construction of 19 new relief tunnels along the existing St. Mary's Tunnel.

### **SW033 Flood Area 22 - Sibley Field**

Use storm water volume reduction to protect homes near Sibley Pond from flooding as a result of the increased runoff.



### **SW034 Flood Area 21 - Bloomington Pond**

Project will increase runoff by disconnecting CSO areas from the sanitary sewer and then use storm water volume reduction to protect homes near Bloomington Pond from flooding as a result of the increased runoff.

### **SW039 Flood Mitigation with Alternative Stormwater Mgmt**

The purpose of this program is to address localized flooding and drainage problems City-wide. Where practical, environmentally friendly "green infrastructure" stormwater practices such as rain gardens, bioswales, constructed wetlands, pervious pavements and hard surface reduction will be utilized.

### **SW99R Reimbursable Sewer & Storm Drain Projects**

Work to be done for others with 100% recovery from requesting agency.

### **WTR12 Water Distribution Improvements**

Maintain and sustain existing water distribution system across city.

### **WTR18 Hiawatha Water Maintenance Facility**

Replace very old Water East Yard with new facilities at a new location.

### **WTR23 Treatment Infrastructure Improvements**

Maintain viability of existing water infrastructure through regular upgrades.

### **WTR24 Fridley Filter Rehabilitation**

Replace filter underdrains, media, piping, and valves and upgrade the backwash system at the Fridley filter plant to improve filtered water quality and reliability.

### **WTR9R Reimbursable Watermain Projects**

This project provides working capital for watermain projects that are reimbursable by other City Departments or private businesses.

### **RMP01 Parking Facilities - Repair and Improvements**

This Project continues a dedicated ongoing capital improvement program for the City's existing Off-Street parking program that consists of 15 City owned and operated parking facilities and 8 surface lots.

## **BUSINESS INFORMATION SERVICES**

### **BIS03 Enterprise Content Management**

This project will consolidate multiple document management systems into a single Enterprise Content Management (ECMS) standard.

### **BIS04 Enterprise Infrastructure Modernization**

This project will build capacity for Information Technology Infrastructure including; voice and data networks, application servers and storage, disaster recovery capabilities, and enterprise-wide support tools through the upgrade and/or addition of hardware, software, and communication pathways. This enhanced infrastructure will support both fixed and mobile connectivity between all City facilities and to all mobile-equipped City personnel and vehicles, both emergency and non-emergency.

### **BIS30 Enterprise Information Management**

The Enterprise Information Management (EIM) capital program will invest in repositories and data-management services aimed at realizing long-standing City data sharing and data integrity objectives.

### **BIS31 GIS Applications**



This project enhances the existing enterprise Geographic Information System (GIS) needed for development and sharing of GIS services supporting City business systems from the field.

### **BIS32 Mobile Computing Framework**

This project will establish what computing platforms departments could use to provide mobile computing to office workers and field staff.

## **MISCELLANEOUS PROJECTS**

### **ART01 Art in Public Places**

This ongoing program incorporates public art into the City's capital program as stand alone artworks or as integrated into public infrastructure.

### **CNV01 Convention Center Domes Repair**

The purpose of this project is to replace the three domed roofs on the Minneapolis Convention Center. These repairs will eliminate the leaks that have been recurring at the facility.

### **CTY02 City Property Reforestation**

This is an ongoing Capital Program intended for the reforestation of public facility properties, industrial areas, and commercial corridors.

### **CTY05 City Hall Elevator Upgrade**

Modernization of the existing hydraulic elevator located in the Property and Evidence Room of City Hall.

### **FIR11 New Fire Station No. 11**

Planning, design, and construction of New Fire Station No. 11.

### **MPD02 MPD Property & Evidence Warehouse**

To acquire a site and provide suitable facilities for a Property and Evidence Storage Unit to be operated by the Minneapolis Police Department.

### **PSD03 Facilities - Space Improvements**

Ongoing capital improvement program for the modification of interior spaces adhering to City adopted standards for space and furnishings.

### **PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II**

Historic Restoration of the ornamental steel fence surrounding the Pioneer & Soldiers Memorial Cemetery.



### ART01 Art in Public Places

**Existing or New Infrastructure:** New

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 500

**Year Increase/(Decrease)Takes effect:** 2013

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

As part of the development of all projects, a design assessment is done by an art conservator and an estimate is made of the annual maintenance costs, as well as the costs of periodic treatments, such as repainting. After the assessment, staff meets with the artist and discusses possible design changes which could decrease maintenance costs and make the artwork more durable. The above figure is based on the average annual cost of maintaining an artwork. Annual maintenance is funded and provided by CPED and other project partners. For example, for the drinking fountain project, the City has recruited private partners, such as the YWCA and private developers, to do the daily maintenance and the annual winterizing of the lines.

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### BIK24 Major Bike Maintenance Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -100

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Minimal decrease in operating costs by sealing of pavement, extending the life of the existing pavement.

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### BIK25 Bluff Street Bike Trail Project

**Existing or New Infrastructure:** New

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 6,400

**Year Increase/(Decrease)Takes effect:** 2015

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating costs will occur several years after the initial construction of the project and will be paid for with the existing operating budget for maintaining City bike trails.

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### BIS03 Enterprise Content Management

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Universal Records Management licenses were included in the Oracle license conversion. Hardware is in place to support the URM implementation. Existing operational staff will support the URM environment.



### BIS04 Enterprise Infrastructure Modernization

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 48,000

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

For the database modernization project only, there will be an operating cost increase of \$48,000 for a one-year period for the support of additional servers during the database migration phase. Once all databases are migrated, the original servers can be decommissioned and there will not be an additional operating cost.

For the other Enterprise Infrastructure projects, there is no anticipated change to the overall annual operating costs. When replacing older equipment on a one-for-one basis, there will be either a decrease or no impact to operational costs. When replacing unmanaged or old equipment, with newer equipment that requires managed services, there will be an operational cost increase.

There will also be increased annual operating costs if we are adding capacity in any area. Refresh projects often result in an operating cost decrease due to consolidation of equipment and re-design of computing or network infrastructure.

### BIS32 Mobile Computing Framework

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

No additional ongoing costs. Enterprise mobile computing will be supported by current staff.

### BR101 Major Bridge Repair and Rehabilitation

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -20,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Analysis of "Route Maintenance" expenses

### CNV01 Convention Center Domes Repair

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -100,000

**Year Increase/(Decrease)Takes effect:** 2013

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating costs have been tracked for several years for maintenance efforts performed to keep the domes from leaking and costs have been approximating \$65,000 to \$125,000 per year from 2009 to 2011. Interest savings from recent bond refundings have provided financial capacity to pay for the replacement of the domed roofs. After replacement, there should be minimal costs for many years freeing up maintenance dollars for other activities.

### CTY02 City Property Reforestation

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The Minneapolis Park & Recreation Board has a Forestry Division with an operating budget for maintaining trees throughout the City. These new and/or replaced trees will be maintained through this budget.





### MBC01 Life Safety Improvements

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Installation of sprinkler, smoke, and fire alarm systems will reduce insurance premiums for the building and also reduce the risk of property loss and potential lawsuits to the City and County. In 2005, property insurance costs for the building were reduced from \$57,500 to \$51,510. A portion of this savings can be attributed to the Life Safety Project.

No cost savings has been assigned for reduced risk of property loss.

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### MBC02 Mechanical Systems Upgrade

**Existing or New Infrastructure:** New

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -160,000

**Year Increase/(Decrease)Takes effect:** 2017

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Installation of four energy wheels has been scheduled for the years 2009 through 2013. The energy wheels will capture energy from exhaust air and utilize that energy to heat, cool, or humidify incoming ventilation air. Originally these outside air intake units were scheduled at the end of the project. They have been rescheduled to capitalize on energy savings and to coordinate construction sequencing issues. It is estimated that each of the four energy wheels will save \$40 thousand dollars per year for a total of \$160 thousand dollars annually after completion of the project.

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### MBC04 MBC Elevators

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating Costs for the MBC will be slightly reduced upon completion of the project. It is projected that elevator maintenance bids will be reduced slightly when this equipment is upgraded. There will be a slight reduction in energy consumption when the inefficient direct current equipment on the freight elevator is replaced. Please also note the discussion in Additional Supplemental Information.

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### MBC06 Clock Tower Upgrade

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating Costs for the MBC are projected to be substantially unchanged by the project.



## PRK01 Recreation Center and Site Improvements Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

### Describe Operating Cost Impacts and How Increases Will Be Funded:

The Minneapolis Park and Recreation Board has been working with McKinstry to review five recreation centers to determine possible energy savings based on their "Guaranteed Savings Performance Contract" Model. This work has revealed that the MPRB may be able to achieve 20 to 29% savings per building with lighting improvements and controls, temperature controls, building envelope improvements (door jams, window/door weather striping, wall/joist seams, roof intrusions), water conservation improvements and vending machine controls. Other improvements such as improved installation and new sensor activated water faucets would result in additional savings. Adding air conditioning, however, will increase the costs of operating the building. The exact savings would depend on the current condition of the building.

Northeast Park is the only replacement facility in the program. The Park Board would transfer funds used to operate and program the current recreation center at Northeast Park to the new building. It would also seek new revenue from rentals and programming of the facility.

Comparable operating costs for a 13,000 square foot building are:

Electricity.....	\$21,185
Gas.....	8,863
Water/sewer.....	4,771
Trash removal.....	3,771
Phone.....	980
Alarm Service.....	350
ITS Fee.....	450
Total Building Costs.....	\$40,370

#### Maintenance Related Costs

Maintenance Supplies.....	\$ 10,000
Outdoor Maintenance.....	25,000
Park keeper (Salary and Fringe).....	87,000
Total Maintenance Costs.....	\$122,000

#### Recreation Related Costs

Recreation Programming.....	\$50,475
Other Operating Expenses.....	6,000
Center Director (Salary and Fringe).....	83,000
Total Recreation Costs.....	\$139,475

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## PRK02 Playground and Site Improvements Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

### Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating costs are generally decreased, as replacement and updating of playgrounds reduce the need for spot repairs and removal of damaged or unsafe equipment.



### PRK03 Shelter - Pool - Site Improvements Program

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The current facilities are very old and use outdated pumps and heaters. New equipment and facilities will use less water and energy. Final figures for cost savings will be determined as part of the design and engineering of the projects. Options such as solar heaters will be explored to reduce long-term energy costs.

### PRK04 Athletic Fields and Site Improvements Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 5,000

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This is based on costs of maintaining other upgraded neighborhood park fields, such as the newer field at King Park. Costs are associated with irrigation, aeration and fertilization of the turf.

### PRKCP Neighborhood Parks Capital Infrastructure

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating costs are generally decreased, as replacements reduce the need for spot repairs and, as in the case of furnaces, for example, employ updated and green technology that creates efficiency.

### PRKDT Diseased Tree Removal

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

N/A

### PSD01 Facilities - Repair and Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating costs will decrease. However, because of the large number of facilities and the variety in size and scope of the various maintenance projects it is difficult to quantify savings in a meaningful way.

Operational savings are achieved by annual investment in facilities, which prevents operational costs from significantly increasing in the future. Efficiencies are gained through upgrades to building features and systems such as floorings & finishes, mechanical, electrical, and lighting. Specific examples include: installation of low maintenance floorings, carpet tiles (as opposed to roll carpets), computerized HVAC controls, dual fuel heating and cooling systems, high efficiency boilers and energy efficient hot water heaters, water usage reductions thru new generation plumbing fixtures, energy efficient lighting and occupancy sensors. The savings achieved by annual investment in facilities is the key to keeping costs from significantly increasing in the future and continuing to protect and maintain the City's current investment in facilities.



### PSD03 Facilities - Space Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -1,000,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

By standardizing space allocation and functionally improving space, the City has been able to utilize its office space more efficiently and therefore as more and more City space is standardized, the cost of future moves and changes to these spaces decrease. The City has been able to reduce its annual real estate costs by reducing the amount of leased office spaces, as a result of the space efficiencies gained to date. For example, in December of 2009, this Program allowed the City to terminate a lease for the City Attorney's Offices and relocated them to newly renovated space in City Hall, thus saving the City \$1,000,000 annually in lease costs.

In addition, standard office furnishings will allow for ergonomic provisions in work spaces. Workers compensation related expenses associated with repetitive injury will be reduced through the implementation of ergonomic furniture standards. This is not readily quantifiable but is a proven outcome.

### PSD11 Energy Conservation and Emission Reduction

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -100,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Energy conservation measures directly reduce operating costs. The program will be prioritized based on the initiatives that have the highest return on investment. In some cases, upgrades to building systems will reduce maintenance costs for a period of time.

### PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -1,500

**Year Increase/(Decrease)Takes effect:** 2013

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Current maintenance and repairs to the existing fencing are expensive stop-gap measures with no long term value. The proposed complete restoration of the fence will reduce ongoing maintenance costs. The decrease is based upon the elimination of actual; annual maintenance costs related to the existing fence.

### PV001 Parkway Paving Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -22,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$6,000 per mile per year. There will be an improvement to the pavement condition on approximately 3.7 miles of streets per year when averaged over the 2012-2016 program.

### PV003 Street Renovation Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -15,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The reduction in maintenance was estimated with assistance from Steve Collin, Street Maintenance Engineer



### PV006 Alley Renovation Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -6,850

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The continuation of this program will reduce ongoing maintenance needs for the overlaid alleys and the improved retaining walls in the Alley Renovation program. These improvements will release maintenance money for other alleys and retaining walls where additional maintenance is needed. The current street maintenance expenditure is estimated at approximately \$500 per mile per year. There will be an improvement to the pavement condition on approximately 13.7 miles of alleys per year when averaged over the 2012-2016 program.

### PV021 33rd Ave SE and Talmage Ave

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -14,000

**Year Increase/(Decrease)Takes effect:** 2011

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Estimate of the average annual maintenance cost. This is an area with extremely bad pavement with additional drainage problems. In 2010 several truckloads of asphalt patching material we used in patching potholes on 33rd Ave SE alone.

### PV056 Asphalt Pavement Resurfacing Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -138,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

These projects decrease the maintenance expenses by removing and replacing the old deteriorated wearing surface of the roadway. The current street maintenance expenditure is estimated at approximately \$3,500 per mile per year. There will be an improvement to the pavement condition on approximately 39.4 miles of streets per year when averaged over the 2012-2016 program.

### PV057 Nicollet Ave (Lake St E to 40th St E)

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -6,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current stree maintenance expenditure is estimated at approximately \$6,000 for a commercial/MSA type of roadway.

### PV059 Major Pavement Maintenance Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -45,000

**Year Increase/(Decrease)Takes effect:** 2011

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Based on historical data from the maintenance department. These projects decrease the maintenance expenses by removing and replacing the old deteriorated wearing surface of the roadway. The current street maintenance expenditures on MSA streets is estimated at approximately \$1,300 per mile per year. There will be an improvement to the pavement condition on approximately 37.7 miles of streets per year when averaged over the 2012-2016 program.



### PV061 High Volume Corridor Reconditioning Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -19,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

These projects decrease the maintenance expenses by removing and replacing the old deteriorated wearing surface of the roadway. The current street maintenance expenditure is estimated at approximately \$6,000 per mile per year. There will be an improvement to the pavement condition on approximately 3 miles of streets per year when averaged over the 2012-2016 program.

### PV062 Riverside Ave (Cedar Ave to Franklin Ave E)

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -1,800

**Year Increase/(Decrease)Takes effect:** 2011

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$6,000 for a commercial/MSA type of roadway.

### PV063 Unpaved Alley Construction

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -700

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Based on a cost of completing approximately 5 alleys per year.

### PV074 CSAH & MnDOT Cooperative Projects

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Hennepin County provides Minneapolis funds to complete maintenance on their roads. Rebuilding a road releases maintenance money to other county roadways where additional maintenance is needed.

### PV075 Development Infrastructure Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

### PV078 Central Corridor Station Area Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:** 2014

**Describe Operating Cost Impacts and How Increases Will Be Funded:**



### PV079 Pavement Maintenance Equipment

**Existing or New Infrastructure:** New

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -75,000

**Year Increase/(Decrease)Takes effect:** 2013

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operational cost savings are anticipated due to the reduction of trucking time to bring materials to the work site. Currently crews must send trucks miles out of the City to outlying commercial asphalt supply plants, or other facilities to pick up hot mix asphalt and liquid AC materials. This occurs on a daily basis. Having these paving materials at a central location within the City will lead to actual cost reduction, as well as increased crew production in the repair of potholes and other pavement repair.

### PV99R Reimbursable Paving Projects

**Existing or New Infrastructure:**

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

### RMP01 Parking Facilities - Repair and Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -400,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The bulk of previous projects completed under this program resulted in labor savings due to function automation, energy savings or increased business potential due to new services such as credit card payment. Actual documentable savings paybacks are in the 3-4 year range, which equates to approximately \$400,000 annual cost savings based on the appropriation amount.

### SA001 Sanitary Tunnel & Sewer Rehabilitation Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -100,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the sanitary sewer system. Clear water can also be removed with these projects, potentially reducing MCEs treatment costs.

### SA036 Infiltration & Inflow Removal Program

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating Costs were determined with past practices, and this work does not result in increased operating costs.



### SW004 Implementation of US EPA Storm Water Regulations

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Construction of new stormwater best management practices (BMPs) may require additional maintenance costs which will be paid for from the stormwater utility maintenance funding depending on the BMP constructed. These costs may be leveraged as capital construction costs to assure proper maintenance is done.

### SW005 Combined Sewer Overflow Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Operating Costs were determined with past practices, and this work does not result in increased operating costs.

### SW011 Storm Drains and Tunnels Rehabilitation Program

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -300,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the storm drain tunnel system.

### SW039 Flood Mitigation with Alternative Stormwater Mgmt

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This project may increase annual operating and maintenance costs of the Surface Water & Sewers Division of Public Works for maintenance of the BMPs. However, this project may decrease annual operating and maintenance costs of the same division for addressing localized flooding issues. Any increase would be paid from the Stormwater Utility enterprise fund.

### SW99R Reimbursable Sewer & Storm Drain Projects

**Existing or New Infrastructure:** New

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**





### SWK01 Defective Hazardous Sidewalks

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

This proposal has no effect on annual operating/maintenance costs. Funds for the operation of the Sidewalk Inspection office are provided by: 1) the Sidewalk Construction Permit fees paid by contractors, 2) Administrative fees paid by property owners when they are notified by the Sidewalk Inspections office and are required by ordinance to repair public sidewalk defects, or, when they request the use of the City hired sidewalk contractor to make needed repairs to defective public sidewalk, and 3) Administrative fees paid by other City of Minneapolis departments when the sidewalk portion of their project work is constructed by the City hired sidewalk contractor. The cost of maintaining the public sidewalks is required by ordinance (City Charter, Chapter 8, Section 12 and 13)and is to be paid for by the adjacent property owner.

### TR008 Parkway Street Light Replacement

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -6,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

It's estimated that personnel cost would be reduced by \$4,500 and equipment rental by \$1,500.

### TR010 Traffic Management Systems

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 50,000

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The signal retiming effort will not require any additional annual operating costs. The new traffic signal central system and associated communication network will have annual maintenance costs and license fees. At this time, it is anticipated that most of the maintenance for the computer hardware and support of the communication network will be provided by BIS and the vendor of the central system will provide maintenance and support of the central system software. The estimated annual cost for BIS support is \$100,000 and for vendor support is \$75,000. The annual cost for the current system is around \$125,000. This cost covers the vendor maintenance and support of the hardware and software. All other support is done by Traffic and Parking personnel. BIS does not support the current central system. The new annual operating cost for the new central system will be included in the Traffic and Parking Services Division operating budget.

### TR011 City Street Light Renovation

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -7,500

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

It's estimated that personnel cost would be reduced by \$6,000 and equipment rental by \$1,500. This project will replace existing lights resulting in a decrease in maintenance costs. Wattage will be reduced in some locations also resulting in an electrical savings.



### TR021 Traffic Signals

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** (Decrease)

**Increase/(Decrease)Amount:** -20,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Replacement of old and obsolete traffic signal system equipment with capital funding will help reduce the amount of maintenance money that is used towards replacement of failing equipment. It also helps reduce the number of hours staff spends maintaining the old and obsolete traffic signal system equipment and more hours can be used on work activities that were previously understaffed.

### TR022 Traffic Safety Improvements

**Existing or New Infrastructure:** New

**Operating Cost Implication:** Increase

**Increase/(Decrease)Amount:** 6,000

**Year Increase/(Decrease)Takes effect:** 2012

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Overhead signal additions would increase operating costs by \$12.50 per unit per year. There are 47 overhead signal structures proposed for construction from 2012 to 2014. The railroad crossing safety improvement effort will add and remove infrastructure. Additions will primarily include medians, signs, and railroad devices. Most of the maintenance for the railroad devices will be done and paid for by the railroad company and not the City. The SRTS Program will replace some of the existing infrastructure. However, it's expected that potential increases may be realized with future infrastructure additions. The increased maintenance costs will be paid through the existing maintenance budget.

### TR023 Trunk Highway 55 Signal Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

It is anticipated that most improvements that could be implemented will not increase or decrease the annual operating costs. The infrastructure is already existing and being maintained. This project will likely not add any additional infrastructure. It will likely replace or modify the existing infrastructure.

### TR99R Reimbursable Transportation Projects

**Existing or New Infrastructure:**

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

### WTR12 Water Distribution Improvements

**Existing or New Infrastructure:**

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

Reduced maintenance needed for rehabilitated pipes.



### WTR23 Treatment Infrastructure Improvements

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The general plan is for a neutral change or decrease in operating costs. Attempts to improve efficiency are pursued wherever possible.

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### WTR24 Fridley Filter Rehabilitation

**Existing or New Infrastructure:** Existing

**Operating Cost Implication:** No Change

**Increase/(Decrease)Amount:** 0

**Year Increase/(Decrease)Takes effect:**

**Describe Operating Cost Impacts and How Increases Will Be Funded:**

The general plan is for a neutral change or a decrease in operating costs. An attempt is made to improve efficiency wherever possible.



# Minneapolis 2012 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	346	173	346	346
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIK25 Bluff Street Bike Trail Project	Public Works			2,000	2,000
BIS03 Enterprise Content Management	BIS Department	400	400	400	400
BIS04 Enterprise Infrastructure Modernization	BIS Department	750	450	750	750
BIS30 Enterprise Information Management	BIS Department	200			
BIS31 GIS Applications	BIS Department	100			
BIS32 Mobile Computing Framework	BIS Department	50		125	125
BR101 Major Bridge Repair and Rehabilitation	Public Works	300	300	300	300
CNV01 Convention Center Domes Repair	Other Departments			5,000	5,000
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04 MBC Elevators	MBC	370		370	370
MBC06 Clock Tower Upgrade	MBC	36	36	36	36
PRK01 Recreation Center and Site Improvements Program	Park Board	2,350	2,350	2,350	2,350
PRK02 Playground and Site Improvements Program	Park Board	250	250	250	250
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,100	1,100	1,100	1,100
PRK04 Athletic Fields and Site Improvements Program	Park Board	200	200	200	200
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	100	100	600	600
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PSD01 Facilities - Repair and Improvements	Public Works	1,075	1,075	1,075	1,075
PSD03 Facilities - Space Improvements	Public Works	500	500	500	500
PSD11 Energy Conservation and Emission Reduction	Public Works	500	500	500	500
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	Public Works	450	273	450	450
PV001 Parkway Paving Program	Public Works	700	700	700	700
PV003 Street Renovation Program	Public Works			1,500	1,500
PV006 Alley Renovation Program	Public Works	1,200	1,200	250	250
PV021 33rd Ave SE and Talmage Ave	Public Works	2,055	2,055	2,055	2,055
PV056 Asphalt Pavement Resurfacing Program	Public Works	10,700	10,700	4,010	4,010
PV057 Nicollet Ave (Lake St E to 40th St E)	Public Works	6,963	6,963	6,963	6,963
PV059 Major Pavement Maintenance Program	Public Works	3,000	3,000	1,000	1,000
PV061 High Volume Corridor Reconditioning Program	Public Works	3,075	3,075	2,935	2,935
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	Public Works	7,855	7,855	7,855	7,855
PV063 Unpaved Alley Construction	Public Works			300	300
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,350	1,350	1,350	1,350
PV075 Development Infrastructure Program	CPED			1,000	1,000
PV078 Central Corridor Station Area Improvements	CPED			1,000	1,000
PV079 Pavement Maintenance Equipment	Public Works				700
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,500	3,500	3,500	3,500
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500



# Minneapolis 2012 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	8,500	8,500	8,500	8,500
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	1,000	1,000	1,000	1,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,070	3,070	3,070	3,070
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR010 Traffic Management Systems	Public Works	525	525	525	525
TR011 City Street Light Renovation	Public Works	1,100	1,100	1,100	1,100
TR021 Traffic Signals	Public Works	3,800	3,800	5,300	4,600
TR022 Traffic Safety Improvements	Public Works	2,210	2,210	2,210	2,210
TR023 Trunk Highway 55 Signal Improvements	Public Works	950	950	950	950
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	4,000	4,000	4,000	5,300
WTR23 Treatment Infrastructure Improvements	Public Works	4,000	4,000	4,000	4,000
WTR24 Fridley Filter Rehabilitation	Public Works	100	100	100	100
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>96,030</b>	<b>94,660</b>	<b>98,825</b>	<b>100,125</b>



# Minneapolis 2013 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	354	177	354	354
BIK24 Major Bike Maintenance Program	Public Works	100	100	100	100
BIS03 Enterprise Content Management	BIS Department	350	350	350	350
BIS04 Enterprise Infrastructure Modernization	BIS Department	750	450	750	750
BIS30 Enterprise Information Management	BIS Department	250			
BIS31 GIS Applications	BIS Department	100			
BIS32 Mobile Computing Framework	BIS Department	50		125	125
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	600	600	600
BR111 10th Ave SE Bridge Arch Rehabilitation	Public Works	2,390	2,390		
BR114 Midtown Corridor Bridge Preservation Program	Public Works	2,275	2,275	2,275	2,275
CTY01 Restoration of Historic Reception Room	MBC	462			
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	340	340	340	340
MBC02 Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04 MBC Elevators	MBC	490		245	245
MBC06 Clock Tower Upgrade	MBC	839	839	839	839
MBC09 Critical Power Capital Project	MBC	980			
PRK01 Recreation Center and Site Improvements Program	Park Board	2,150	2,150	2,150	2,150
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,000	1,000	1,000	1,000
PRK04 Athletic Fields and Site Improvements Program	Park Board	650	650	650	650
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	100	100	3,200	3,200
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PSD01 Facilities - Repair and Improvements	Public Works	830	830	830	830
PSD03 Facilities - Space Improvements	Public Works	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Public Works	500	500	500	500
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	Public Works	500	677	500	500
PV001 Parkway Paving Program	Public Works	700	700	700	700
PV003 Street Renovation Program	Public Works			1,500	1,500
PV006 Alley Renovation Program	Public Works	1,200	1,200	250	250
PV007 University Research Park/Central Corridor	Public Works	30,040	30,040	30,040	30,040
PV035 TH121/Lyndale Ave S	Public Works			300	300
PV038 Winter St NE Residential/Commercial	Public Works	5,395	5,395	5,395	5,395
PV056 Asphalt Pavement Resurfacing Program	Public Works	10,700	10,900	4,700	4,700
PV057 Nicollet Ave (Lake St E to 40th St E)	Public Works	6,985	6,985	6,985	6,985
PV059 Major Pavement Maintenance Program	Public Works	2,800	2,800	800	800
PV061 High Volume Corridor Reconditioning Program	Public Works	3,110	3,357	9,532	9,532
PV063 Unpaved Alley Construction	Public Works			300	300
PV069 Penn Ave S (50th to Crosstown)	Public Works			9,415	9,415
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works			300	300
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,810	1,810	1,810	1,810
PV075 Development Infrastructure Program	CPED			3,700	3,700
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,000	4,000	4,000	4,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000



# Minneapolis 2013 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,500	9,500	9,500	9,500
SW033 Flood Area 22 - Sibley Field	Public Works	3,015	3,015	3,015	3,015
SW034 Flood Area 21 - Bloomington Pond	Public Works	4,840	4,840	4,840	4,840
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	2,000	2,000	2,000	2,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,210	3,210	3,210	3,210
TR008 Parkway Street Light Replacement	Public Works	300	300	300	300
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR021 Traffic Signals	Public Works	200	200	1,700	1,700
TR022 Traffic Safety Improvements	Public Works	1,405	1,405	1,405	1,405
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	5,000	5,000	5,000
WTR18 Hiawatha Water Maintenance Facility	Public Works	3,000	3,000	3,000	3,000
WTR23 Treatment Infrastructure Improvements	Public Works	4,000	4,000	4,000	4,000
WTR24 Fridley Filter Rehabilitation	Public Works	17,000	17,000	17,000	17,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	<b>Total</b>	<b>154,520</b>	<b>152,535</b>	<b>167,955</b>	<b>167,955</b>



# Minneapolis 2014 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	361	181	361	361
BIK20 Hiawatha LRT Trail Lighting	Public Works	1,575	1,575	1,575	1,575
BIS03 Enterprise Content Management	BIS Department	300	300	300	300
BIS04 Enterprise Infrastructure Modernization	BIS Department	750	550	750	750
BIS30 Enterprise Information Management	BIS Department	300			
BIS31 GIS Applications	BIS Department	100			
BIS32 Mobile Computing Framework	BIS Department	50			
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR111 10th Ave SE Bridge Arch Rehabilitation	Public Works	6,910	6,910	5,125	5,125
BR116 Bridge 9 Improvements	Public Works	1,815	1,815	1,815	1,815
CTY01 Restoration of Historic Reception Room	MBC	1,038			
CTY02 City Property Reforestation	Public Works	150	150	150	150
MBC01 Life Safety Improvements	MBC	300	300	300	300
MBC02 Mechanical Systems Upgrade	MBC	645	645	645	645
MBC04 MBC Elevators	MBC	490		245	245
MBC09 Critical Power Capital Project	MBC	980	980	980	980
PRK02 Playground and Site Improvements Program	Park Board	750	750	750	750
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,500	1,500	1,500	1,500
PRK04 Athletic Fields and Site Improvements Program	Park Board	1,150	1,150	1,150	1,150
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	100	100	600	600
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PSD01 Facilities - Repair and Improvements	Public Works	1,115	1,115	1,115	1,115
PSD03 Facilities - Space Improvements	Public Works	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV003 Street Renovation Program	Public Works			2,740	2,740
PV006 Alley Renovation Program	Public Works	1,200	1,200	250	250
PV007 University Research Park/Central Corridor	Public Works	9,300	9,300	9,300	9,300
PV035 TH121/Lyndale Ave S	Public Works			300	300
PV056 Asphalt Pavement Resurfacing Program	Public Works	9,199	9,199	2,049	2,049
PV059 Major Pavement Maintenance Program	Public Works	2,000	2,000		
PV061 High Volume Corridor Reconditioning Program	Public Works	3,850	3,850	4,370	4,370
PV063 Unpaved Alley Construction	Public Works			300	300
PV067 Nawadaha Blvd & Minnehaha Ave	Public Works	3,590		4,240	4,240
PV068 LaSalle Ave (Grant to 8th)	Public Works	4,670	4,670	4,670	4,670
PV069 Penn Ave S (50th to Crosstown)	Public Works			4,095	4,095
PV070 Riverside Phase II - 4th St/15th Ave	Public Works	5,000	5,000	5,000	5,000
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works		3,950	430	430
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,160	2,160	2,160	2,160
PV075 Development Infrastructure Program	CPED			1,200	1,200
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,000	4,000	4,000	4,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250





# Minneapolis 2014 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,200	9,200	9,200	9,200
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	3,288	3,288	3,288
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,365	3,365	3,365	3,365
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR021 Traffic Signals	Public Works	535	535	2,035	2,035
TR022 Traffic Safety Improvements	Public Works	2,110	2,110	2,110	2,110
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	5,000	5,000	5,000
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
<b>Total</b>		<b>115,996</b>	<b>113,998</b>	<b>114,613</b>	<b>114,613</b>



# Minneapolis 2015 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	400	200	400	400
BIS03 Enterprise Content Management	BIS Department	250	250	250	250
BIS04 Enterprise Infrastructure Modernization	BIS Department	750	650	750	750
BIS30 Enterprise Information Management	BIS Department	350			
BIS31 GIS Applications	BIS Department	100			
BIS32 Mobile Computing Framework	BIS Department	50			
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR117 1st St N Bridge over Bassett's Creek	Public Works	2,900			
CTY01 Restoration of Historic Reception Room	MBC	1,250			
CTY02 City Property Reforestation	Public Works	150	150	150	150
FIR11 New Fire Station No. 11	Fire Department	1,475	1,475	1,475	1,475
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	500	500	500	500
MBC09 Critical Power Capital Project	MBC		980	980	980
PRK01 Recreation Center and Site Improvements Program	Park Board	450	450	450	450
PRK02 Playground and Site Improvements Program	Park Board	1,365	1,365	1,365	1,365
PRK04 Athletic Fields and Site Improvements Program	Park Board	1,350	1,350	1,350	1,350
PRK22 Parking Lot and Lighting Improvement Program	Park Board	35	35	35	35
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	300	300	800	800
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PSD01 Facilities - Repair and Improvements	Public Works	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Public Works	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV003 Street Renovation Program	Public Works			2,480	2,480
PV006 Alley Renovation Program	Public Works	1,200	1,200	250	250
PV007 University Research Park/Central Corridor	Public Works	44,760	44,760	44,760	44,760
PV027 Hennepin/Lyndale	Public Works	10,810	10,810	10,810	10,810
PV056 Asphalt Pavement Resurfacing Program	Public Works	8,800	8,800	1,500	1,500
PV059 Major Pavement Maintenance Program	Public Works	2,000	2,000		
PV061 High Volume Corridor Reconditioning Program	Public Works	3,975	3,975	4,000	4,000
PV063 Unpaved Alley Construction	Public Works			300	300
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works	6,670	4,870	6,240	6,240
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,200	1,200	1,200	1,200
PV075 Development Infrastructure Program	CPED			2,500	2,500
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,000	4,000	4,000	4,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	8,100	8,100	8,100	8,100
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	6,580	6,580	6,580
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000



## Minneapolis 2015 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SWK01 Defective Hazardous Sidewalks	Public Works	3,520	3,520	3,520	3,520
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	3,800	3,800	3,800	3,800
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR021 Traffic Signals	Public Works	625	625	2,125	2,125
TR022 Traffic Safety Improvements	Public Works	1,025	1,025	1,025	1,025
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	5,000	5,000	5,000	5,000
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	<b>Total</b>	<b>152,290</b>	<b>146,520</b>	<b>145,245</b>	<b>145,245</b>



# Minneapolis 2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	408	204	408	408
BIS04 Enterprise Infrastructure Modernization	BIS Department	750	750	750	750
BIS30 Enterprise Information Management	BIS Department	400			
BIS31 GIS Applications	BIS Department	100			
BIS32 Mobile Computing Framework	BIS Department	50			
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR112 Nicollet Ave Reopening	Public Works	7,450			
CTY01 Restoration of Historic Reception Room	MBC	1,250			
CTY02 City Property Reforestation	Public Works	150	150	150	150
CTY05 City Hall Elevator Upgrade	Public Works	150			
FIR11 New Fire Station No. 11	Fire Department	4,250	4,250	4,250	4,250
MBC01 Life Safety Improvements	MBC	320	320	320	320
MBC02 Mechanical Systems Upgrade	MBC	200	200	200	200
MPD02 MPD Property & Evidence Warehouse	Police Department	4,000			
PRK02 Playground and Site Improvements Program	Park Board	300	300	300	300
PRK04 Athletic Fields and Site Improvements Program	Park Board	2,900	2,900	2,800	2,800
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	300	300	300	300
PRKDT Diseased Tree Removal	Park Board	500	500	500	500
PSD01 Facilities - Repair and Improvements	Public Works	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Public Works	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Public Works	500	500	500	500
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV003 Street Renovation Program	Public Works			1,885	1,885
PV005 Snelling Ave Extension	Public Works	8,450		50	50
PV006 Alley Renovation Program	Public Works	265	265	250	250
PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Public Works	2,975	2,975	2,975	2,975
PV035 TH121/Lyndale Ave S	Public Works	6,530	6,530	6,480	6,480
PV056 Asphalt Pavement Resurfacing Program	Public Works	3,000	3,000	1,500	1,500
PV061 High Volume Corridor Reconditioning Program	Public Works	2,750	2,750	4,542	4,542
PV063 Unpaved Alley Construction	Public Works			300	300
PV069 Penn Ave S (50th to Crosstown)	Public Works	10,890	1,400		
PV071 38th St E (Hiawatha to Minnehaha)	Public Works	2,410	2,410	2,410	2,410
PV072 Pedestrian Improvements Program	Public Works	1,200	1,200	1,200	1,200
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works	2,450	300	2,150	2,150
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,700	1,700	1,700	1,700
PV075 Development Infrastructure Program	CPED			960	960
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	2,500	2,500	2,500	2,500
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,400	9,400	9,400	9,400
SW032 I-35W Storm Tunnel Reconstruction	Public Works	1,000	1,000	1,000	1,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000



# Minneapolis 2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	3,000	3,000	3,000	3,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,720	3,720	3,720	3,720
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	3,800	3,800	3,800	3,800
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR021 Traffic Signals	Public Works	675	675	2,175	2,175
TR022 Traffic Safety Improvements	Public Works	1,150	1,150	1,150	1,150
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
UANDB CLIC Unallocated Net Debt Bonds	Orphans		1,041		
WTR12 Water Distribution Improvements	Public Works	5,000	5,000	5,000	5,000
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR24 Fridley Filter Rehabilitation	Public Works	20,000	20,000	20,000	20,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	<b>Total</b>	<b>141,943</b>	<b>109,290</b>	<b>113,725</b>	<b>113,725</b>

# Glossary of Terms & Abbreviations for the Capital Program

**CLIC** - Capital Long-Range Improvement Committee – a committee of up to 33 private citizens appointed by the 13 Council members (2 per Ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

## **REVENUE SOURCE RELATED DESCRIPTIONS:**

**NDB** - Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

**Park Capital Levy** – A portion of the Park Board’s tax levy dedicated to Capital Improvements.

**MSA** - Municipal State Aid - refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

**Special Assessments** - improvements paid for partially or wholly by property owners.

**IAP** – Infrastructure Acceleration Program – this is a five-year increase in capital improvement resources using one-time trust fund or general fund dollars to expedite completion of critical capital projects. This program runs from 2009 – 2013.

**Other** – Refers to all other categories of resources used to support capital programs including grants from other governmental agencies or private foundations, transfers from City operating funds, land sale proceeds, etc. In addition to the other sources above, Public Works has several divisions that have a reimbursable project for tracking and billing overhead costs and for performing construction activities that are billed to the specific projects, benefiting City departments, outside government agencies and private businesses.

**Stormwater Bonds/Stormwater Revenue** - bonds related to the Stormwater enterprise. Debt Service is paid by user fees charged for enterprise services. Stormwater revenues are used as a “pay as you go” cash source. These revenue sources are also applicable to the Sanitary Sewer, Water and Parking enterprises of the City.

# Glossary of Terms & Abbreviations for the Capital Program

## ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES:

**Bld** - Boulevard

**CSAH** – County State Aid Highway – a County project leveraging a local cost share from the City of Minneapolis

**MnDOT** – Minnesota Department of Transportation – the State of Minnesota Department responsible for maintaining the State’s transportation network.

**LRT** – Light Rail Transit

**US EPA** – United States Environmental Protection Agency

**GIS** – Geographical Information System

**ERP** – Enterprise Resource Planning software

**MPD** – Minneapolis Police Department

**TH121** – Trunk Highway 121

## SUBMITTING AGENCY OR DEPARTMENT ABBREVIATIONS:

**CPED** – Community Planning & Economic Development

**BIS** – Business Information Services

**MBC** – Municipal Building Commission

**City of Minneapolis  
2012 Budget**

**City Council Departments**

Each of the following department sections includes these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

• Assessor	274
• Attorney	279
• City Council & Clerk	286
• City Coordinator	297
○ Total City Coordinator Summary Pages	299
○ City Coordinator - Administration	303
○ 311	308
○ 911	312
○ Emergency Management	316
○ Business Information Services	321
○ Communications	327
○ Convention Center	334
○ Finance	340
○ Human Resources	351
○ Intergovernmental Relations	359
○ Neighborhood and Community Relations	364
• Civil Rights	370
• Community Planning and Economic Development	375
• Fire	388
• Health and Family Support	395
• Internal Audit	407
• Mayor	411
• Police	416
• Public Works	426
○ Total Public Works Summary Pages	435
○ Administration	440
○ Fleet Services	443
○ Solid Waste and Recycling	447
○ Surface Water & Sanitary Sewer – Sanitary Sewer	451
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○ Traffic and Parking Services	458
○ Transportation Maintenance and Repair	462
○ Transportation Planning and Engineering	466
○ Water Treatment and Distribution	470
• Regulatory Services	473



## ASSESSOR

### MISSION

The Minneapolis Assessor's Office serves the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law.

### BUSINESS LINES

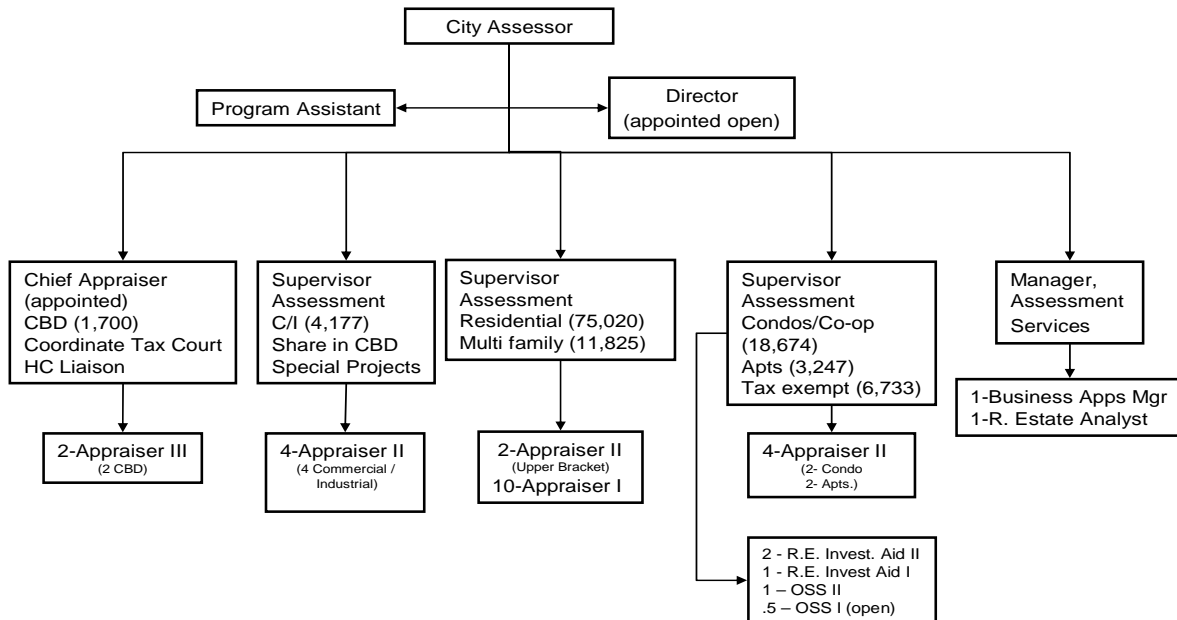
**Valuation and Classification of Real Estate Property** – Perform the assessment function for all real estate and appropriate personal property and share this information with Hennepin County

- *Valuation* – The annual estimation of value for all taxable and non-taxable real property per state law.
- *Classification* – The annual classification and recording of parcels by ownership, property use and property type.

**Preserve equity and fairness in the distribution of the tax burden** –

- *Appeals and Reviews* – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend values and classifications at the City and County Boards of Appeal and Equalization.
- *Tax Court Petitions* – Defend the departments assessed values and classifications in Minnesota Tax Court.

### ORGANIZATION CHART



**Minneapolis Assessor's Office**

General Fund: \$4,195,608

**Assessor****Real Estate Assessment**

The Assessor's Office is statutorily mandated to determine the market value of land and improvements annually. Presently, there are approximately 129,000 parcels in Minneapolis assessed annually. An annual assessment includes: Property Inspections; Data & Record Management; Taxpayer Notification; Taxpayer Appeals and Reviews; Tax Court Litigation, and Neighborhood Relations

Measure: Resident rating on providing meaningful opportunities for citizens to give input on important issues *i.e.* property taxes (Resident survey)

**FINANCIAL ANALYSIS****EXPENDITURE**

The Assessor's 2012 budget is \$4.2 million. The budget will increase 4.6% over the 2011 revised budget. Personnel are 79% of the total department budget. The department's contractual expenses are approximately 17% of its budget. In 2012, the department added 0.5 FTE within existing resources.

**REVENUE**

Revenue in 2012 is projected to be \$62,500. Ninety-nine percent of revenue comes from payment in lieu of taxes (PILOT) paid by nonprofit nursing homes through agreements in the community planning and economic development (CPED) department's work. The additional five percent comes from charges for sales.

**FUND ALLOCATION**

The Assessor Department's entire budget comes from the general fund.

**MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended no changes.

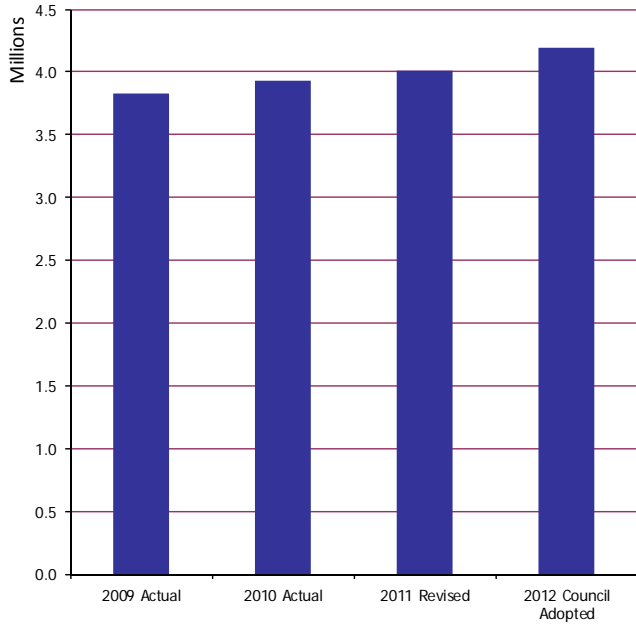
**COUNCIL ADOPTED BUDGET**

Council approved the Mayor's recommendations.

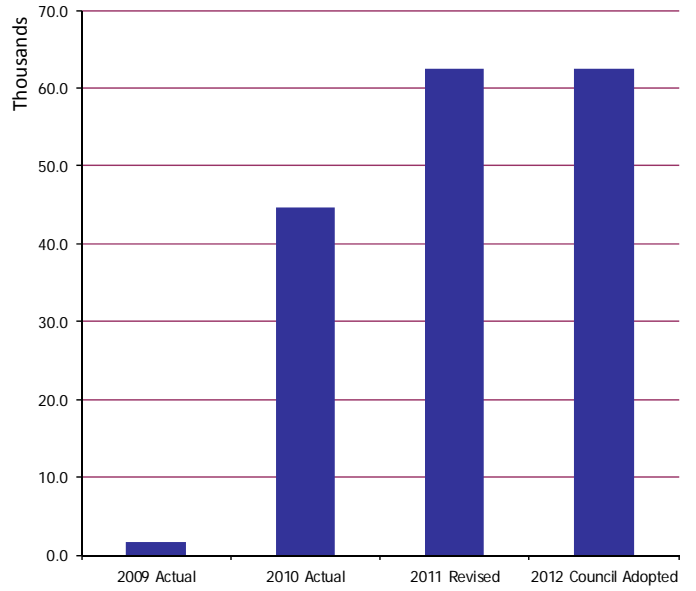
**ASSESSOR  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	832	81			0	0
<b>TOTAL AGENCY</b>	<b>832</b>	<b>81</b>			<b>0</b>	<b>0</b>
<b>GENERAL</b>						
CAPITAL			606		-100.0%	(606)
CONTRACTUAL SERVICES	747,926	725,583	737,892	723,871	-1.9%	(14,021)
FRINGE BENEFITS	737,568	758,973	812,377	892,912	9.9%	80,535
OPERATING COSTS	141,542	135,987	158,923	153,872	-3.2%	(5,051)
SALARIES AND WAGES	2,198,944	2,312,360	2,300,578	2,424,953	5.4%	124,375
<b>TOTAL GENERAL</b>	<b>3,825,980</b>	<b>3,932,902</b>	<b>4,010,376</b>	<b>4,195,608</b>	<b>4.6%</b>	<b>185,232</b>
<b>TOTAL EXPENSE</b>	<b>3,826,812</b>	<b>3,932,983</b>	<b>4,010,376</b>	<b>4,195,608</b>	<b>4.6%</b>	<b>185,232</b>
<b>REVENUE</b>						
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	1,531	1,743	400	500	25.0%	100
CHARGES FOR SERVICES	42				0.0%	0
PROPERTY TAXES		42,901	62,000	62,000	0.0%	0
<b>TOTAL GENERAL</b>	<b>1,573</b>	<b>44,644</b>	<b>62,400</b>	<b>62,500</b>	<b>0.2%</b>	<b>100</b>
<b>TOTAL REVENUE</b>	<b>1,573</b>	<b>44,644</b>	<b>62,400</b>	<b>62,500</b>	<b>0.2%</b>	<b>100</b>

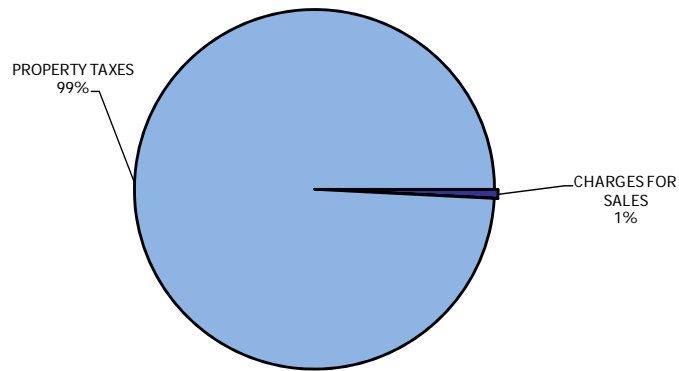
Expense 2009 - 2012



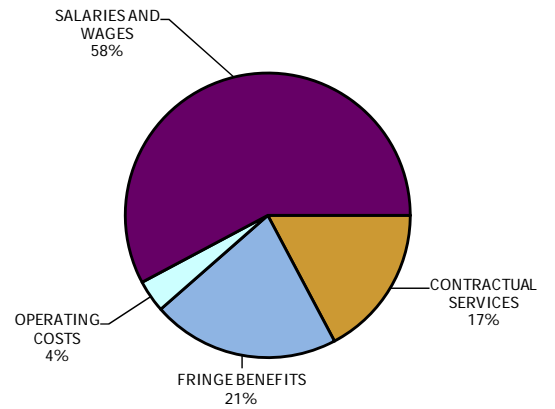
Revenue 2009 - 2012



Direct Revenue by Type



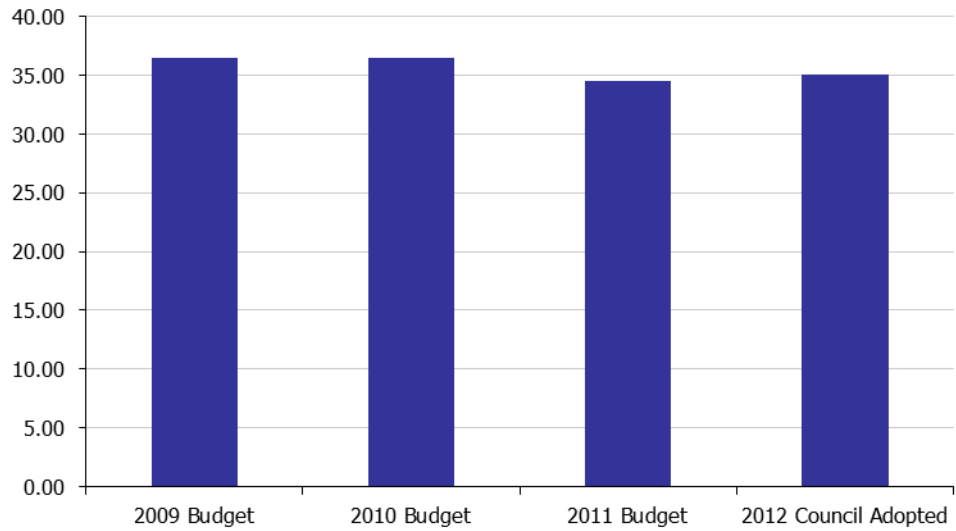
Expense by Category



## ASSESSOR Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ASSESSOR OPERATIONS	36.50	36.50	34.50	35.00	1.4%	0.50
<b>TOTAL</b>	<b>36.50</b>	<b>36.50</b>	<b>34.50</b>	<b>35.00</b>	<b>1.4%</b>	<b>0.50</b>

### Positions 2009-2012



# ATTORNEY

## MISSION

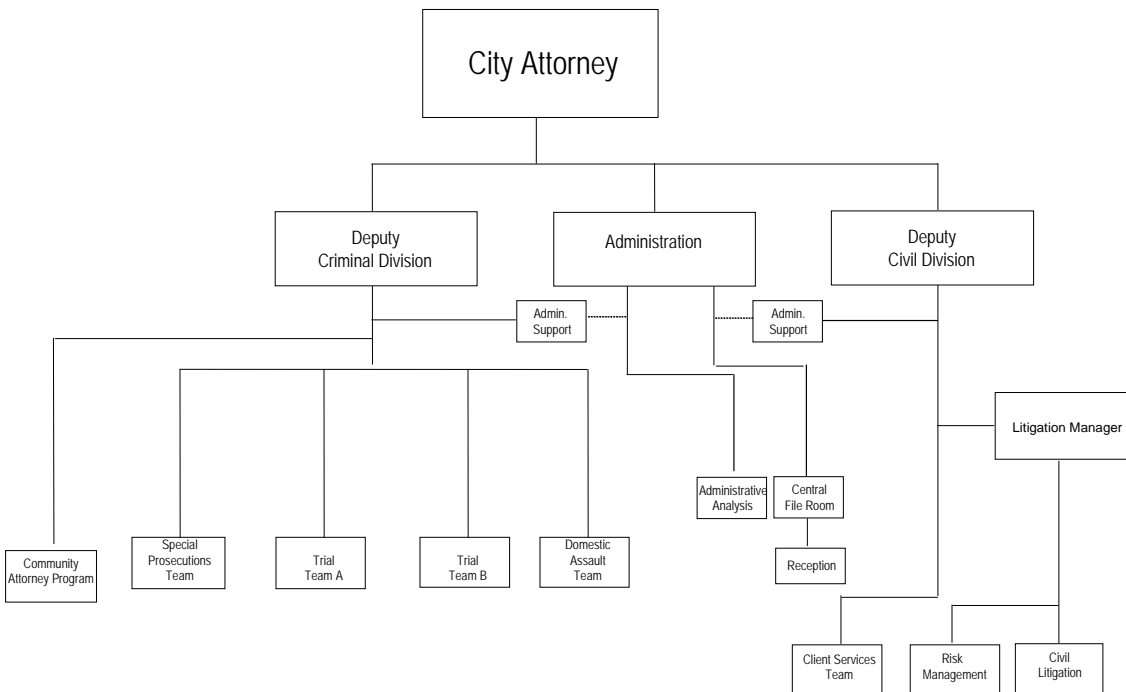
The City Attorney's mission is to enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

## BUSINESS LINES

The City Attorney's Office has two business lines:

- Criminal Division: Prosecutes all adult misdemeanor, gross misdemeanor and petty misdemeanor crime in the City of Minneapolis.
- Civil Division: Delivers legal services for City clients and provides litigation representation.

## ORGANIZATION CHART



## **Criminal Prosecution**

General Fund: \$7,039,179

### *Attorney*

Other Funds: \$0

The Criminal Division of the City Attorney's Office ("CAO") prosecutes all adult gross misdemeanor, misdemeanor, petty misdemeanor and traffic offenses in the City of Minneapolis.

The criminal prosecution function is divided into four teams: domestic violence, chronic offender prosecutions and two teams that prosecute all other cases, ranging from DWI, reckless driving (that can include fatalities) to trespass, carrying a weapon without a permit and driving after revocation or suspension of a license. The CAO also participates in specialty courts and calendars in Hennepin County District Court, including mental health court, veteran's court, GIFT (Gaining Independence for Females in Transition) review calendar and DWI court. The specialty courts require extra prosecutor time for appearances, staffing meetings and review calendars but provide impressive results in reducing recidivism. Finally, the criminal prosecution program handles appeals of criminal cases to the Minnesota Court of Appeals and the Minnesota Supreme Court.

*Measure: Conviction rates*

## **Community Attorney Prosecution Program**

General Fund: \$719,007

### *Attorney*

Other Funds: \$365,352

This program includes the community attorney component of the criminal division and the Downtown 100 (downtown chronic offenders) initiative. The CAO has assigned criminal attorneys to each of the five MPD precincts, one housed in each precinct. The program also includes three paralegals and the Downtown 100 prosecutor.

The primary job of the community prosecutors is to work with the MPD precinct leadership, officers and Crime Prevention Specialists on crime and public safety issues. The community attorneys work with community and neighborhood organizations, local businesses and other stakeholder groups to identify and help resolve community public safety concerns specific to each precinct. For example, the 2<sup>nd</sup> Precinct Community Attorney helped develop the party house ordinance and enforcement protocols. The community prosecutors help lead eight court watch groups located throughout the City. (The Downtown Court Watch received an award from the International Association of Chiefs of Police in 2010.) The community attorneys help identify and maintain the Top 200 chronic livability offender lists and obtain community impact statements in particular cases. These attorneys may also charge and prosecute cases of particular interest to a neighborhood, appear in community court on high priority chronic offender cases and develop strategies for chronic offender dispositions, such as developing a geographic restriction map, among other tasks. This function is a valuable resource for MPD officers, available to answer questions and provide criminal law advice.

The Downtown 100 program is an initiative focused on the top livability crime offenders in downtown Minneapolis. The program includes grant funds from the Downtown Improvement District that pay for the majority of the salaries for an additional prosecutor and a County probation officer, both housed in the 1<sup>st</sup> Precinct. The Downtown 100 program achieved a 74% decrease in recidivism by the Downtown 100 chronic offenders in the first year of the program. The program has been chosen as one of ten best practices across the country by the Association of Prosecuting Attorneys to be showcased at its 2011 national conference this fall.

*Measure: Resident survey - sense of safety*

## **Civil Litigation**

Other Funds: \$2,580,576

### *City Attorney's Office*

One of the goals of the Civil Division is to minimize the City's litigation costs and financial liability. Litigation Team attorneys are assigned to those matters claimed against the City.

Litigation Team attorneys represent the City in civil matters filed in the state and federal district and appellate courts; before administrative agencies, such as the United States Environmental Protection Agency, United States Equal Employment Opportunity Commission, the Minnesota Pollution Control Agency, the Minnesota Human Rights Department; Workers Compensation judges and other administrative venues.

In addition to providing representation for the City, Litigation Team attorneys provide direct defense of City officers and employees in virtually all of the cases in which such employees are personally named in a lawsuit.

*Measure: 21st century government*

## **Client Services**

Other Funds: \$3,471,506

### *City Attorney's Office*

The Client Services Team within the Civil Division of the City Attorney's Office performs legal work and provides advice to all City departments, boards, commissions and office holders. The Client Services Team is called upon to draft development agreements, prepare ordinances and charter amendments, advise the City on the myriad of legal questions facing the City and its operations ranging from governmental authority to election law to compliance with the open meeting law and data practices act.

*Measure: 21st century government*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The City Attorney's 2012 budget is \$14.2 million, a 1.6% decrease from the 2011 revised budget. Personnel expenses are 75% of the total budget, with 101 full-time equivalent positions in the department. Contractual expenses are 21% of the total budget.

The department reduced 2 FTEs with internal shifts. Council adopted an additional cut of 2 FTEs, for a total department reduction of 4 FTEs.

### **REVENUE**

The department anticipates loss of grant funding in 2012. The expenditure and revenue information does not reflect the total amount of revenue because a significant portion of revenue is shared with the police department. This shared revenue is from the Justice Assistance Grants (JAG) and Grants to Assist Arrests. Some expense from the grant is also shared with Police

### **FUND ALLOCATION**

The primary funding sources for the department are the General Fund (55%) and the Self-Insurance Fund (43%). The remaining 3% is derived from the federal, state or other grant funds.



## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended that the department reduce \$300,000 and 2 FTE's, one each in the Criminal Prosecution and Community Attorney Prosecution programs. The difference should be managed with non-personnel reductions.

## COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendations. Additionally, Council made the following staff directions:

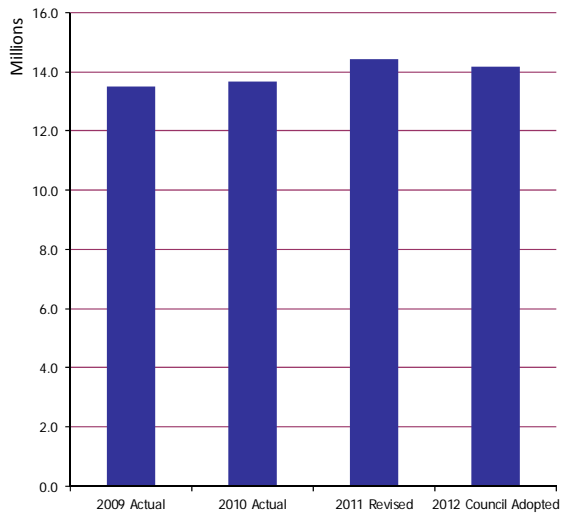
- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.

## ATTORNEY EXPENSE AND REVENUE INFORMATION

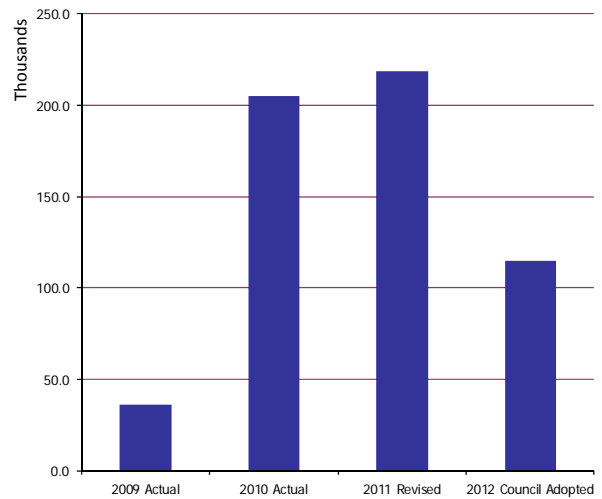
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES	2,279,342	2,108,528	2,058,261	1,839,268	-10.6%	(218,993)
FRINGE BENEFITS	1,152,299	1,201,988	1,277,720	1,306,394	2.2%	28,674
OPERATING COSTS	122,636	125,846	190,967	256,727	34.4%	65,760
SALARIES AND WAGES	3,967,055	4,061,778	4,091,072	4,355,797	6.5%	264,726
<b>TOTAL GENERAL</b>	<b>7,521,332</b>	<b>7,498,139</b>	<b>7,618,019</b>	<b>7,758,186</b>	<b>1.8%</b>	<b>140,167</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES		39,995	25,807		-100.0%	(25,807)
FRINGE BENEFITS	75,318	152,481	168,433	86,360	-48.7%	(82,073)
OPERATING COSTS	14,426	654	4,855		-100.0%	(4,855)
SALARIES AND WAGES	305,503	489,168	492,806	278,992	-43.4%	(213,814)
<b>TOTAL SPECIAL REVENUE</b>	<b>395,247</b>	<b>682,298</b>	<b>691,902</b>	<b>365,352</b>	<b>-47.2%</b>	<b>(326,549)</b>
<b>INTERNAL SERVICE</b>						
CONTRACTUAL SERVICES	1,280,525	1,290,889	1,167,637	1,116,935	-4.3%	(50,702)
FRINGE BENEFITS	934,394	999,672	1,062,920	1,031,497	-3.0%	(31,424)
OPERATING COSTS	120,050	106,924	212,622	360,965	69.8%	148,343
SALARIES AND WAGES	3,233,824	3,090,138	3,657,965	3,542,685	-3.2%	(115,280)
<b>TOTAL INTERNAL SERVICE</b>	<b>5,568,793</b>	<b>5,487,622</b>	<b>6,101,145</b>	<b>6,052,082</b>	<b>-0.8%</b>	<b>(49,062)</b>
<b>TOTAL EXPENSE</b>	<b>13,485,372</b>	<b>13,668,060</b>	<b>14,411,065</b>	<b>14,175,621</b>	<b>-1.6%</b>	<b>(235,445)</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	7,716	5,172	25,000	20,000	-20.0%	(5,000)
OTHER MISC REVENUES	319	29			0.0%	0
<b>TOTAL GENERAL</b>	<b>8,035</b>	<b>5,202</b>	<b>25,000</b>	<b>20,000</b>	<b>-20.0%</b>	<b>(5,000)</b>
<b>SPECIAL REVENUE</b>						
FEDERAL GOVERNMENT		79,751	88,902		-100.0%	(88,902)
LOCAL GOVERNMENT		115,642	85,088	85,088	0.0%	0
STATE GOVERNMENT	14,426				/0	0
<b>TOTAL SPECIAL REVENUE</b>	<b>14,426</b>	<b>195,394</b>	<b>173,990</b>	<b>85,088</b>	<b>-51.1%</b>	<b>(88,902)</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SERVICES		295	10,000		-100.0%	(10,000)
OTHER MISC REVENUES	13,875	3,942	10,000	10,000	0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>13,875</b>	<b>4,237</b>	<b>20,000</b>	<b>10,000</b>	<b>-50.0%</b>	<b>(10,000)</b>
<b>TOTAL REVENUE</b>	<b>36,336</b>	<b>204,832</b>	<b>218,990</b>	<b>115,088</b>	<b>-47.4%</b>	<b>(103,902)</b>

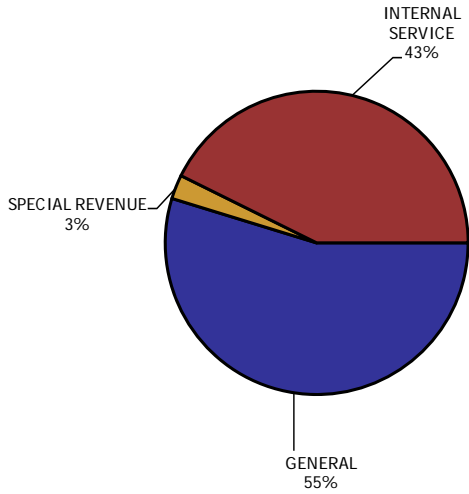
Expense 2009 - 2012



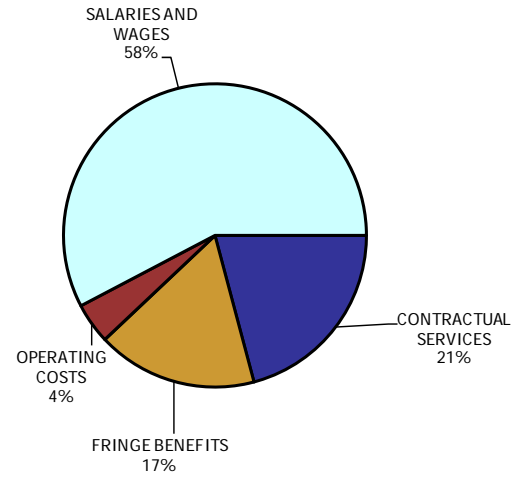
Revenue 2009 - 2012



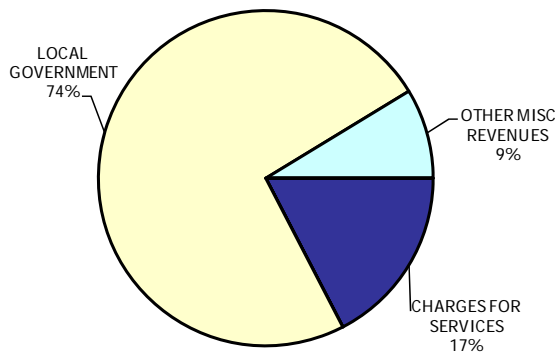
Expense by Fund



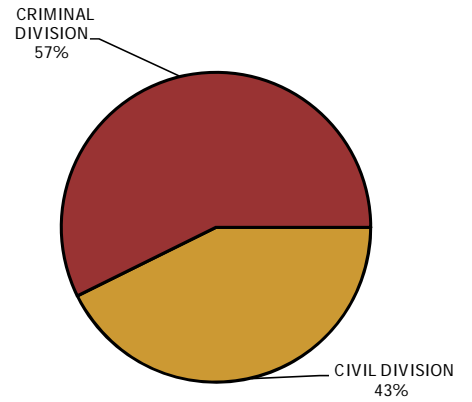
Expense by Category



Direct Revenue by Type



Expense by Division

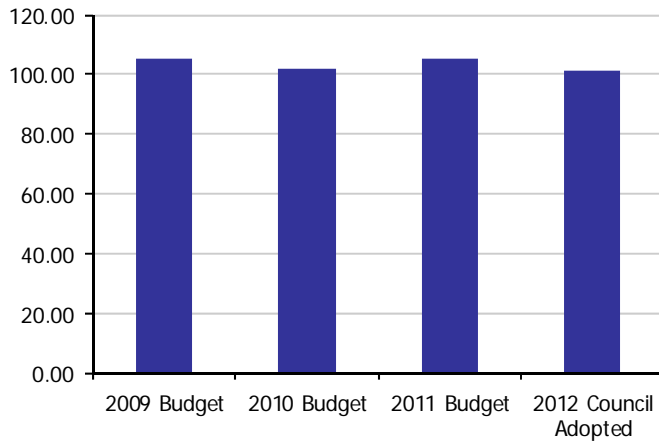


# ATTORNEY

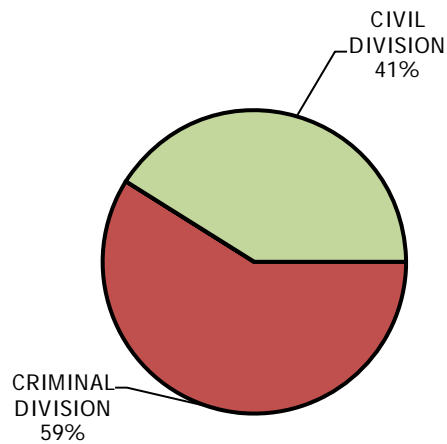
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ATTORNEY		14.00				
CIVIL DIVISION	44.50	37.50	41.50	41.50	0.0%	
CRIMINAL DIVISION	61.00	50.50	63.50	59.50	-6.3%	(4.00)
<b>TOTAL</b>	<b>105.50</b>	<b>102.00</b>	<b>105.00</b>	<b>101.00</b>	<b>-3.8%</b>	<b>(4.00)</b>

### Positions 2009-2012



### Positions by Division



## **CITY COUNCIL & CLERK**

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### **MISSION**

The City Council & Clerk Department, as the legislative department of the City of Minneapolis, maximizes access to municipal government; exercises oversight and ensures accountability by city departments; preserves transparency in government processes; and enables informed decisions for community governance.

### **BUSINESS LINES**

#### **CITY COUNCIL**

- Legislative Authority & Policy Enactment
- Executive Oversight & Evaluation
- Community Representation

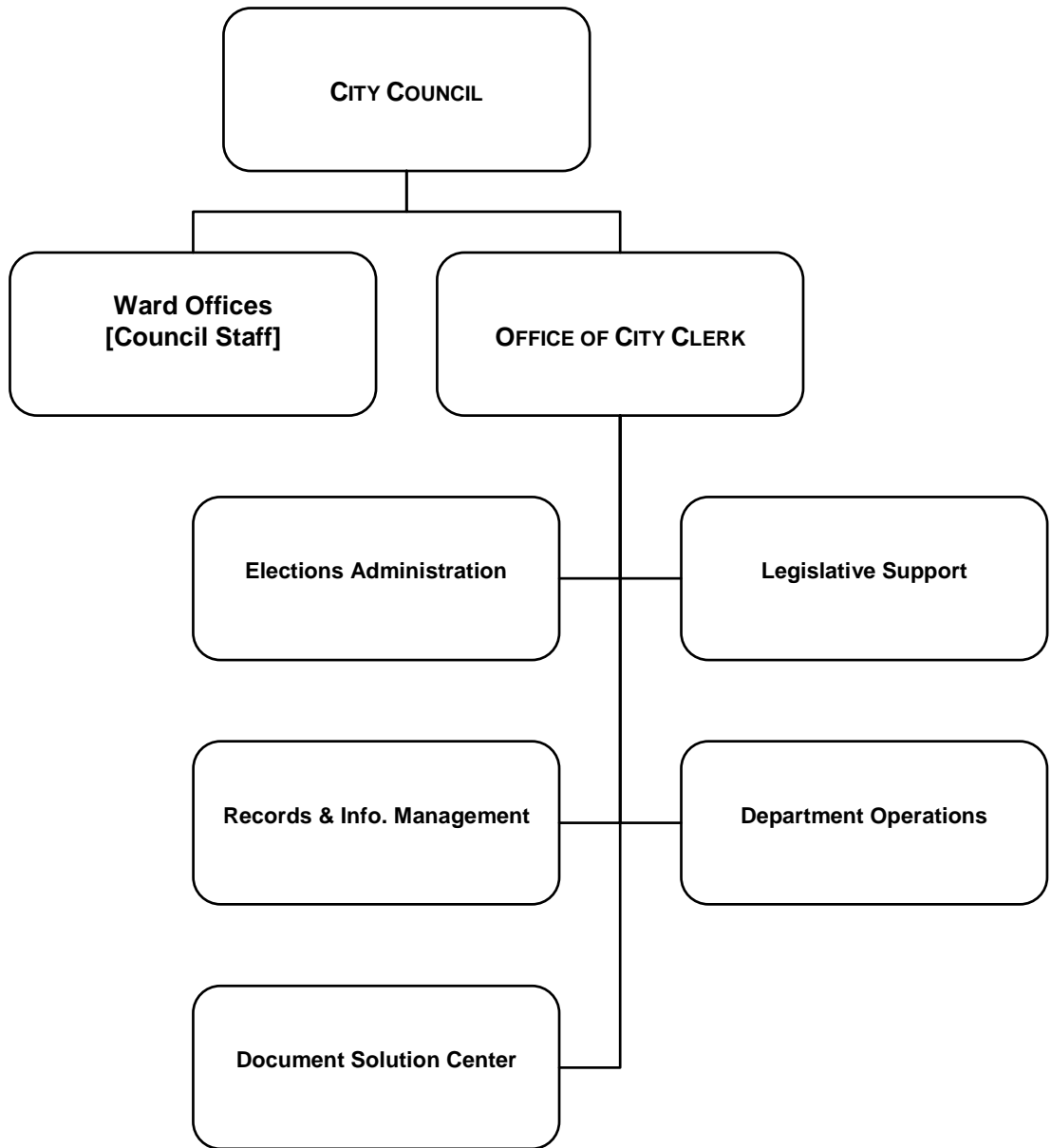
#### **COUNCIL STAFF**

- Policy Development
- Constituent Services

#### **OFFICE OF CITY CLERK**

- Elections Administration
- Legislative Support
- Records & Information Management
- Appointed Boards & Commissions
- Document Solutions Center (print/reprographics, mail/courier, data operations)
- Department Operations

**ORGANIZATION CHART**



**Appointed Boards and Commissions**

General Fund: \$33,197

*City Council & Clerk*

The Appointed Boards and Commissions program encourages Minneapolis community members to have an active role in policy-making in the City of Minneapolis. To this end, this program entails four major components.

- 1) Outreach and education – Collect information regarding open volunteer positions in a user-friendly format and provide opportunities for community members to learn more about what is required to serve on a board or commission.

- 2) Administering the Open Appointments process – The Open Appointments process ranges from public notification, application management, and legislative steps for appointment.
- 3) Training and Orientation – Provide newly appointed volunteers training that gives them the context and tools needed to serve as volunteers. This includes topics such as understanding where boards and commissions fit in to the City structure and processes, and how to operate using Robert’s Rules.
- 4) Recognition – Acknowledge the contributions and work of the hundreds of hours dedicated by volunteers.

*Measure: Accessible programs and services*

## **Elections Administration**

General Fund: \$1,432,673

### *City Council & Clerk*

The Elections Administration program serves as the gateway to representative democracy for Minneapolitans, protecting rights guaranteed by the federal and state constitutions as well as numerous federal, state, and local laws and regulations. The outcome of this program enables citizens to participate directly in governmental decision-making processes and to exercise their right to vote. The services associated with this program are wide-ranging and include the following scope of work for each federal, state, county, municipal, and school election programmed during the four-year election cycle:

- Election Planning & Preparation
- Election Judge Recruitment, Training & Deployment
- Communications, Voter Services & Outreach
- Election Law, Policy & Research
- Absentee Balloting
- Voting Equipment & Warehouse Functions
- Election Day Activities
- Business Operations
- Post-Election Administration

*Measure: Accessible programs and services*

## **Domestic Partnership Registry**

General Fund: \$9,487

### *City Council & Clerk*

Domestic Partnership is defined by the Chapter 142 of the Minneapolis Code of Ordinances, which was initially adopted by the Minneapolis City Council on January 25, 1991. Minneapolis was the first city in the State of Minnesota to prohibit discrimination on the basis of sexual orientation and gender identity/expression, a position that has subsequently been adopted by numerous cities across the state. Domestic partner registration enables employers to voluntarily provide equal treatment in employment benefits for such partners and their dependents and also provides visitation privileges in health care facilities. An application fee of \$20 is collected by the Office of City Clerk for each registration, though there is no charge for filing amendments or notices of termination. Once registered, a registration certificate is provided to the domestic partners by the Office of City Clerk, which is generally issued within three working days after the date of application. This registration certificate may be used as evidence of the domestic partnership. The application and any amendments, the registration certificate, and any termination notices constitute government data under state law and are subject to disclosure pursuant to the Minnesota Government Data Practices Act.

*Measure: Eliminate discrimination*

### **Board of Appeal and Equalization**

General Fund: \$13,865

*City Council & Clerk*

The Board of Appeal & Equalization arbitrates disputes between property owners and the City of Minneapolis concerning property classification or market value assessments, and has the authority to decrease, sustain, or increase the market value of a property. The Board consists of three members, which, by law, must include one real estate agent, one appraiser, and one homeowner. The City Charter designates the Office of City Clerk as the secretariat of the Board of Appeal & Equalization, and it is responsible for a variety of legal notices, scheduling, agenda management, and documenting and certifying the decisions of the Board of Appeal & Equalization.

*Measure: Resident satisfaction of City services*

### **Legislative Support**

General Fund: \$1,454,908

*City Council & Clerk*

The Legislative Support program ensures compliance with all applicable legal, policy, and procedural regulations as the same pertain to the City's legislative process. This includes: issuing a variety of notices; preparing agendas detailing policy proposals and business matters to be acted upon; accurately preserving the legislative record; certifying to the passage of acts, orders, and judgments of the City Council; and codifying ordinances as local laws of the City of Minneapolis.

*Measure: Satisfaction of internally provided City services*

### **Records & Information Management**

General Fund: \$143,141

*City Council & Clerk*

The Records & Information Management program ensures that the City's records and data are managed with due regard for legal requirements, risk, probity, continuity, and economy, and to assure effective training and oversight so all records and data are accessible throughout the identified lifecycle using appropriate media and technology. To accomplish these broad objectives, the program consists of two primary activities: (1) the provision of professional records management services, which includes retention scheduling; development, coordination, and support of a network of departmental records coordinators and liaisons, including relevant training; and the identification and proper preservation of archival materials having enduring value to the City; and (2) ensuring compliance throughout the enterprise with the Minnesota Government Data Practices Act and functioning as a single point of access for internal and external parties seeking access to government records and data under the law.

*Measure: Access to information and services*

### **City Records Center**

General Fund: \$290,405

*City Council & Clerk*

The City Records Center, which is located in the Municipal Building's clock tower, provides on-site storage for approximately 20,000 cubic feet of non-current (inactive) records for all departments within the enterprise. The key services provided by this program include: the transfer and storage of non-current records in a secure and controlled environment; the retrieval and subsequent re-filing of records and materials stored in the Records Center



upon demand; and the coordinated disposal of records, data, and other materials at the appropriate time in a secure manner as allowed under approved retention schedules.

*Measure: Satisfaction rating of internally provided City services*

**Document Solutions Center**

Other Funds: \$839,659

*City Council & Clerk*

The Document Solutions Center functions as the City's in-house printer of record and provides cost-effective and timely print, reprographic, and bindery services to all City departments. The Document Solutions Center encompasses three functional areas:

- (1) Print Services,
- (2) Reprographic Services, and
- (3) Main Frame Data Print Services, which supports variable data print services for water bills and licensing purposes.

The Document Solution Center fulfills 3,100 customer requests and produces in excess of 4,700,000 copies annually. The Data Print Center provides 3,130,000 copies annually and produces 55,000 checks (Accounts Payable and Payroll) for a total of 3,185,000 copies. The total production for the combined Document Solutions Center exceeds 7,885,000 copies annually.

*Measure: Satisfaction rating of internally provided City services*

**Mail/Courier Services**

General Fund: \$34,111

*City Council & Clerk*

Other Funds: \$463,250

In addition to its core functions (described separately), the Document Solutions Center provides cost-effective, responsive, and timely mail and courier services for all City departments. The Mail Room and Courier encompasses four functional areas:

- (1) Internal mail sorting and distribution,
- (2) USPS outgoing mail processing through a contracted presort mail vendor,
- (3) Internal mail distribution to non-campus (City Hall) downtown locations, and
- (4) UPS shipping services.

The Mail Room processes in excess of 770,000,000 pieces of U.S. mail and 32,000 pieces of interoffice mail annually. The Courier Services program provides on-call and routed courier services for all departments, in excess of 16,000 deliveries annually.

The Mail Room staff was reduced from 1 FTE to 0.35 FTE and an outside vendor for the processing of U.S. outgoing mail was contracted. This arrangement resulted in significant cost savings for the program, both in staffing and in equipment needed to process outgoing mail. The vendor—Lifeworks\*—provides services for the greater City route (Public Service Center, CPED, City of the Lakes, Convention Center, and Towle Bldg.), resulting in savings compared to costs for a commercial courier.

*Measure: Satisfaction rating of internally provided City services*

**City Council**

General Fund: \$1,835,339

*City Council & Clerk*

The City Council is charged with providing for the general health, safety, and welfare of the city and its residents. Without limiting the generality of the foregoing, the City Council has the power to adopt, amend, and repeal public policies; to levy and apportion taxes, make appropriations, and adopt budgets; to oversee organizational performance and the delivery of municipal services and programs; and to make appointments to subordinate boards and

commissions. Finally, as representatives of their respective wards, Council Members help articulate and advocate for the needs, priorities, and interests of their constituents. This proposal enables the City Council to exercise leadership for all areas of Minneapolis City Government.

*Because of broad policy mandates impacting all City goals, no measures are associated with this program.*

**Council Staff – Constituent Services**

General Fund: \$1,382,239

*City Council & Clerk*

The Constituent Services program encompasses a wide range of services and activities that enable Council Members to meet the needs and expectations of their constituents, neighborhoods, and stakeholders/partners in a coordinated, timely, and professional manner.

*Measure: Accessible programs and services*

**Council Staff – Policy Development**

General Fund: \$1,398,406

*City Council & Clerk*

The Policy Development program provides confidential, executive-level project management; interdepartmental and intergovernmental coordination; communication; and policy development and implementation support. The program builds internal and external stakeholder support and coordination across all City Goals and departmental activities through research, coalition building, outreach, policy drafting, system and process navigation, and advocacy. In addition to these services, the Policy Development program enables Council Members to perform effectively in their overlapping roles as local legislators and community representatives.

*Measure: Satisfaction rating of internally provided City services*

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2012 City Council & Clerk department's budget of \$9.3 million is a \$1.2 million increase from the 2011 revised budget. The department's base budget was increased by \$500,000 for Elections because 2012 is a presidential election year. The department added back 0.27 FTE within existing resources in the Copy Center. The department is funded with 86% general fund dollars and 14% special revenue fund dollars.

**REVENUE**

Revenue is estimated at \$1.2 million, a 19% increase from 2011.

**FUND ALLOCATION**

The department's expenditure budget is funded by the General Fund (84%) and Internal Service Funds (14%).

**MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended:

- Appointed Boards and Commissions: The Mayor recommended no change.

- Elections Administration: Includes a planned increase of \$500,000 for election year 2012. The Mayor recommended a \$100,000 cut to this program from 2011 spending levels.
- Domestic Partnership Registry: The Mayor recommended no cut.
- Board of Appeal and Equalization: The Mayor recommended a \$600 cut from 2011 spending levels.
- Legislative Support: The Mayor recommended no change.
- Records & Information Management: The Mayor recommended no funding for the enhanced program and a \$6,000 cut from 2011 spending levels.
- City Records Center: The Mayor recommended a \$12,000 cut from 2011 spending levels.
- Document Solutions Center: The Mayor recommended no change.
- Mail/Courier Services: The Mayor recommended no change.
- City Council: The Mayor recommended no change.
- Council Staff – Constituent Services: The Mayor recommended a ten percent reduction from 2011 spending levels because 311 reduces the call volume to Council offices.
- Council Staff – Policy Development: The Mayor recommended no change.

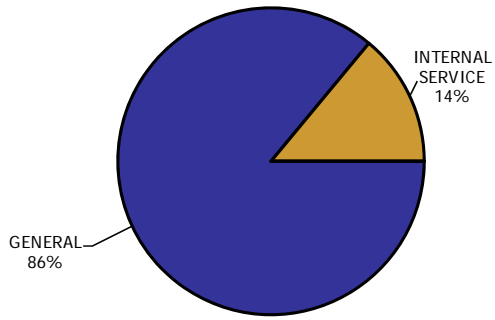
#### COUNCIL ADOPTED BUDGET

Council adopted the Mayor's recommendations with the following amendments: Increase the City Council & Clerk Department appropriation by \$125,000 to offset reductions; direct staff to reduce City Council's 2012 ward budgets by 12%, setting each ward budget at a total of \$10,490, transfer \$30,000 from the BIS Employee Mobility Project and transfer that amount of the City Council & Clerk Department and delay final action of funds regarding the 2011 roll-over of individual ward budgets until all 2011 expenses have been accounted and paid, and direct staff to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures. Additionally, Council also combined the budgets of the City Council and City Clerk.

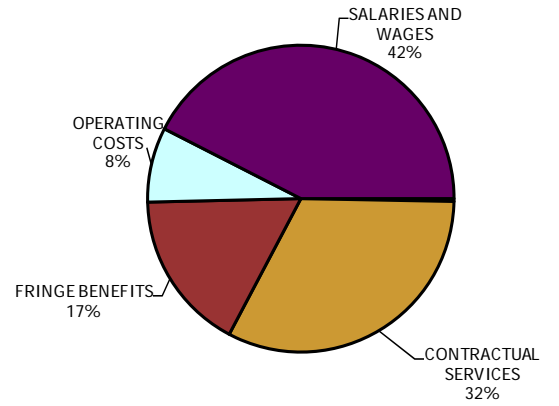
**CITY COUNCIL & CLERK  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	35,000					0
<b>TOTAL SPECIAL REVENUE</b>	<b>35,000</b>					<b>0</b>
<b>GENERAL</b>						
CAPITAL			16,793	17,062	1.6%	269
CONTRACTUAL SERVICES	2,380,476	1,633,381	1,626,282	2,342,659	44.0%	716,377
FRINGE BENEFITS	1,048,107	1,144,186	1,221,436	1,435,278	17.5%	213,842
OPERATING COSTS	549,202	477,634	521,328	575,223	10.3%	53,895
SALARIES AND WAGES	3,693,425	3,842,847	3,594,891	3,657,548	1.7%	62,657
<b>TOTAL GENERAL</b>	<b>7,671,210</b>	<b>7,098,049</b>	<b>6,980,730</b>	<b>8,027,770</b>	<b>15.0%</b>	<b>1,047,040</b>
<b>INTERNAL SERVICE</b>						
CAPITAL			10,307	10,472	1.6%	165
CONTRACTUAL SERVICES	555,861	715,968	607,380	687,348	12.8%	77,552
FRINGE BENEFITS	86,258	90,248	104,005	140,826	35.4%	36,821
OPERATING COSTS	270,761	325,726	159,427	158,435	0.9%	1,424
SALARIES AND WAGES	244,155	243,443	252,375	305,828	21.2%	53,453
<b>TOTAL INTERNAL SERVICE</b>	<b>1,157,035</b>	<b>1,375,386</b>	<b>1,133,494</b>	<b>1,302,909</b>	<b>14.9%</b>	<b>169,415</b>
<b>TOTAL EXPENSE</b>	<b>8,863,244</b>	<b>8,473,434</b>	<b>8,114,224</b>	<b>9,330,679</b>	<b>15.0%</b>	<b>1,216,455</b>
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	8,789	1,854	425	425	0.0%	0
CHARGES FOR SERVICES	102,955	48,735	45,735	46,935	2.6%	1,200
LICENSE AND PERMITS	5,344	3,799	2,500	2,500	0.0%	0
OTHER MISC REVENUES	51	1,293			0.0%	0
<b>TOTAL GENERAL</b>	<b>117,139</b>	<b>55,681</b>	<b>48,660</b>	<b>49,860</b>	<b>2.5%</b>	<b>1,200</b>
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS	35,000				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>35,000</b>				<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SERVICES	1,008,025	1,079,347	945,941	1,135,975	20.1%	190,034
OTHER MISC REVENUES		40			0	0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,008,025</b>	<b>1,079,387</b>	<b>945,941</b>	<b>1,135,975</b>	<b>0.0%</b>	<b>190,034</b>
<b>TOTAL REVENUE</b>	<b>1,160,164</b>	<b>1,135,068</b>	<b>994,601</b>	<b>1,185,835</b>	<b>19.2%</b>	<b>191,234</b>

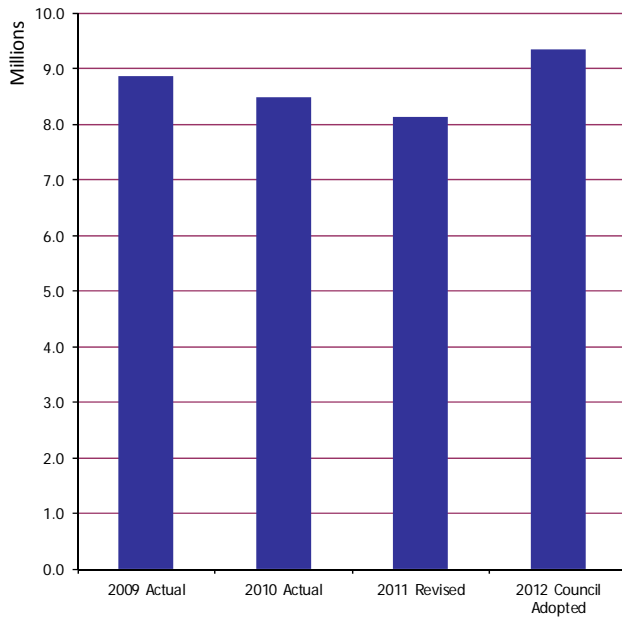
Expense by Fund



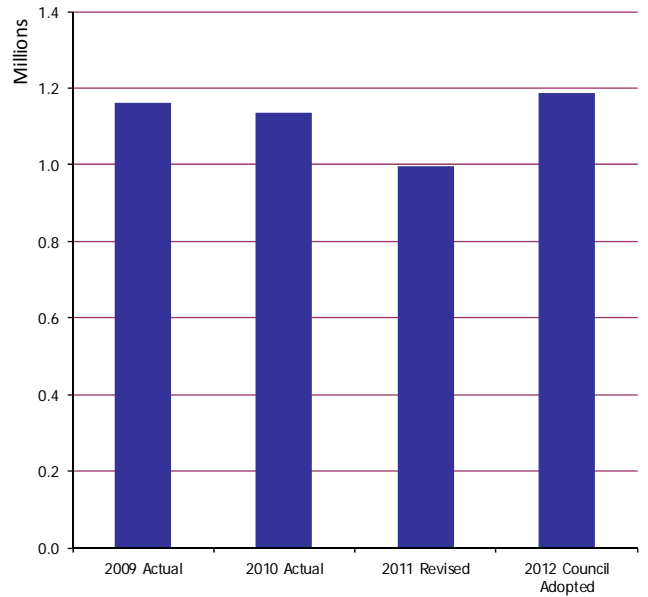
Expense by Category



Expense 2009 - 2012



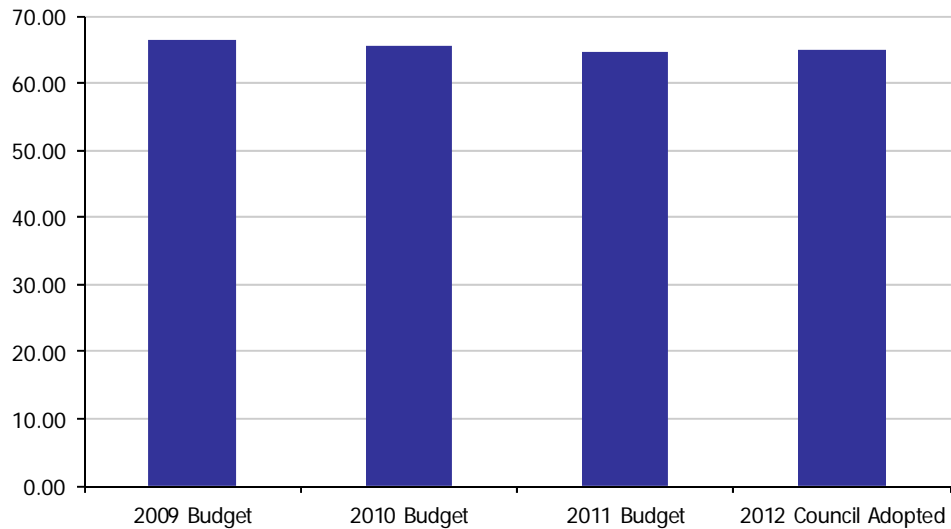
Revenue 2009 - 2012



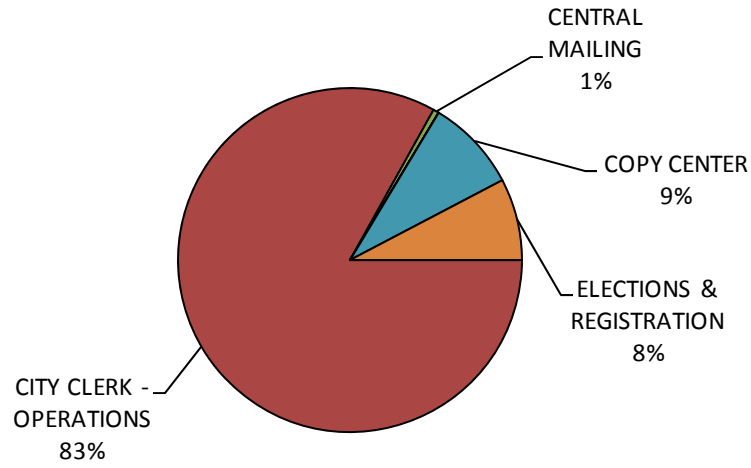
## CITY COUNCIL & CLERK Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
DATA OPERATIONS CENTER	1.30	1.30	0.75		-100.0%	(0.75)
ELECTIONS & REGISTRATION	5.00	5.00	5.00	5.00	0.0%	
CENTRAL MAILING	0.35	0.35	0.35	0.35	0.0%	
CITY CLERK - OPERATIONS	55.00	46.00	54.00	54.02	0.0%	0.02
COPY CENTER	4.85	4.85	4.65	5.65	21.5%	1.00
CITY CLERK		8.00				
<b>TOTAL</b>	<b>66.50</b>	<b>65.50</b>	<b>64.75</b>	<b>65.02</b>	<b>0.4%</b>	<b>0.27</b>

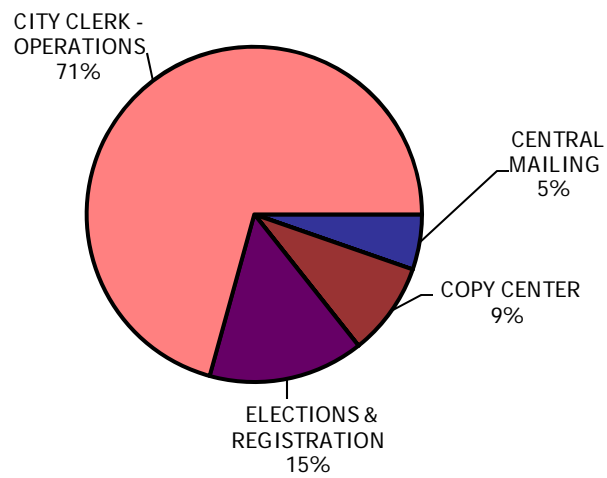
### Positions 2009-2012



**Positions by Divison**



**Expense by Division**



# CITY COORDINATOR

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## **MISSION**

The Office of the City Coordinator provides administrative and management services for the City, including but not limited to planning, budgeting and fiscal management, program monitoring and evaluation, personnel, data processing and purchasing. The coordinator shall coordinate City activities as directed by the City Council and shall supervise ... the Minneapolis Convention Center, convention and tourism ... federal programs, and such activities as the City Council may direct. The City Coordinator after consultation with City agencies shall recommend to the City Council and Mayor a management system for all agencies.

## **BUSINESS LINES**

The City Coordinator Department has three primary business lines:

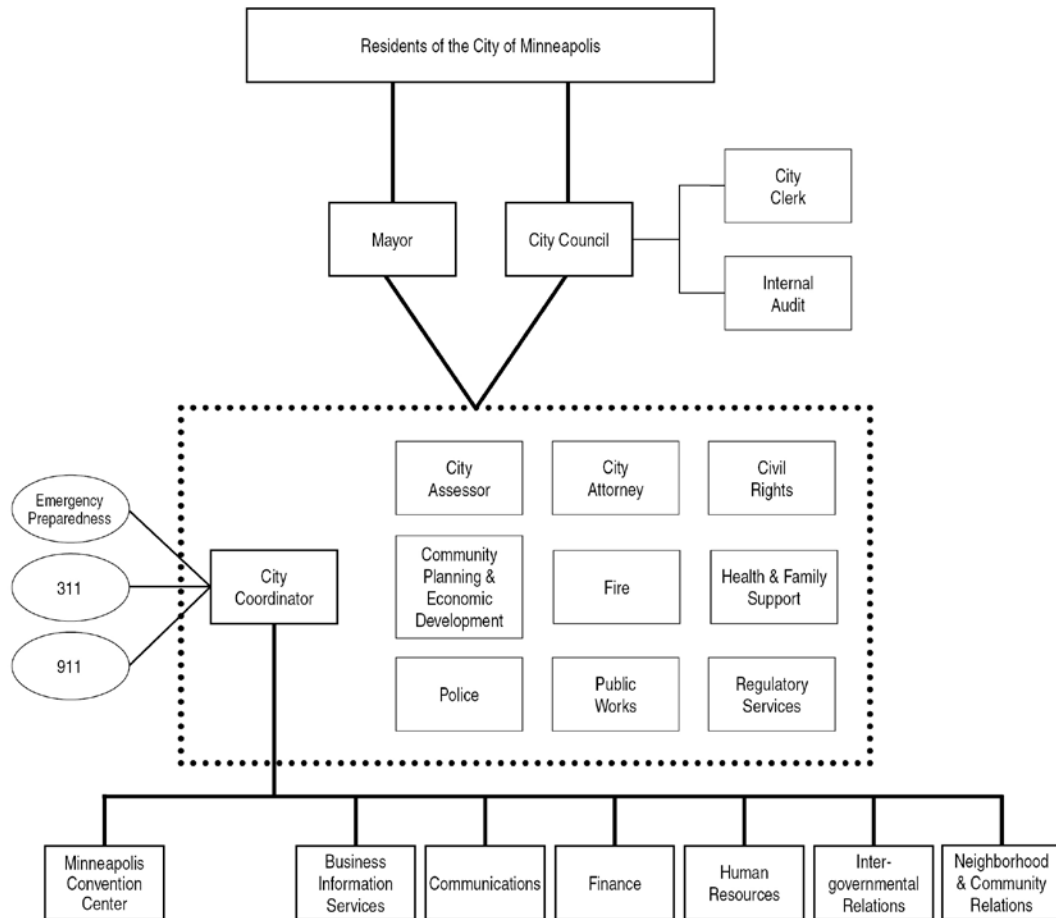
- **Strategic Policy Development and Implementation:** The City Coordinator acts as a strategic policy advisor to the Mayor and City Council and ensures that policy and project implementations are accountable and consistent with Mayor and Council direction.
- **Enterprise Management Services:** The City Coordinator provides strategic direction and oversight to the City's management departments including business information services, communications, finance, human resources, intergovernmental relations, and neighborhood & community relations to ensure that efficient and effective internal services serve all other City departments in successful achievement of their missions.
- **Direct Services:** The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line services including emergency management, 911 emergency communications, non-emergency information and services (311), and the work of the Minneapolis Convention Center.



# City of Minneapolis

## City Coordinator

### Organizational Chart



## FINANCIAL INFORMATION FOR ALL COORDINATOR'S DEPARTMENTS COMBINED

The total budget for all City Coordinator departments decreases from \$150.8 million to \$149.0 million in 2012, a 1.2% decrease. This decrease reflects previous totals accounting for the move of Internal Audit out of the Coordinator Departments, and the move of the 911 Department and Emergency Preparedness Division of Regulatory Services into the City Coordinator's Administration Department. The 911 Division and Emergency Management Division are now divisions within the City Coordinator's Administration Department; however, for purposes of the 2012 Mayor's Recommended Budget, these divisions are broken out within this book to detail their budget presentations along with the 311 Division.

Revenue for the combined City Coordinator departments increases 3.6% from \$127.4 million to \$132.0 million in 2012.

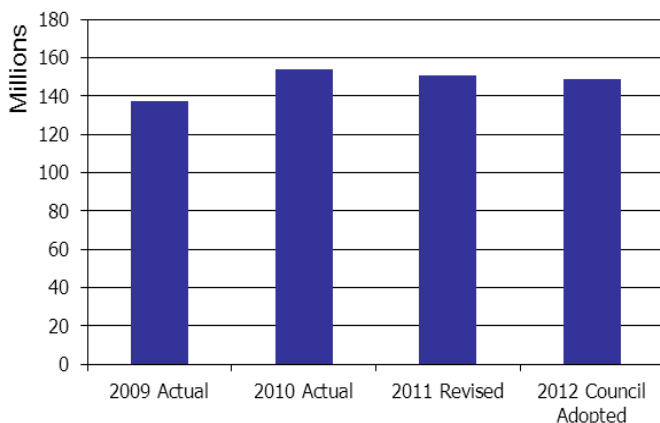
### EXPENDITURES

GENERAL	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change	Change
SALARIES AND WAGES	21,561,372	21,464,243	21,064,215	21,114,954	0.2%	50,739
FRINGE BENEFITS	7,269,504	7,589,528	7,462,339	8,007,534	7.3%	545,194
CONTRACTUAL SERVICES	11,547,329	11,430,373	10,998,275	10,914,303	-0.8%	(83,973)
OPERATING COSTS	2,024,886	2,120,003	2,115,611	2,066,644	-2.3%	(48,967)
CAPITAL	18,588	2,081	33,963	44,316	30.5%	10,353
<b>TOTAL GENERAL</b>	<b>42,421,679</b>	<b>42,606,228</b>	<b>41,674,404</b>	<b>42,147,751</b>	<b>1.1%</b>	<b>473,347</b>
<b>SPECIAL REVENUE</b>						
SALARIES AND WAGES	9,813,162	9,910,971	10,557,768	11,025,258	4.4%	467,491
FRINGE BENEFITS	3,708,004	3,873,798	4,331,774	4,881,557	12.7%	549,783
CONTRACTUAL SERVICES	21,188,230	27,148,145	32,261,269	28,348,960	-12.1%	(3,912,309)
OPERATING COSTS	1,784,027	2,246,554	1,559,356	1,403,636	-10.0%	(155,720)
CAPITAL	2,485,889	8,242,268	12,798,422	13,692,675	7.0%	894,253
<b>TOTAL SPECIAL REVENUE</b>	<b>38,979,313</b>	<b>51,421,736</b>	<b>61,508,589</b>	<b>59,352,087</b>	<b>-3.5%</b>	<b>(2,156,502)</b>
<b>INTERNAL SERVICE</b>						
SALARIES AND WAGES	11,186,406	10,456,186	10,252,671	10,499,244	2.4%	246,573
FRINGE BENEFITS	4,415,873	4,250,164	4,059,836	4,118,568	1.4%	58,733
CONTRACTUAL SERVICES	30,029,545	29,858,714	30,497,445	29,896,985	-2.0%	(600,460)
OPERATING COSTS	12,866,595	14,635,733	2,615,443	2,826,879	8.1%	211,436
CAPITAL	12,599		178,138	180,989	1.6%	2,851
<b>TOTAL INTERNAL SERVICE</b>	<b>58,511,018</b>	<b>59,200,798</b>	<b>47,603,532</b>	<b>47,522,664</b>	<b>-0.2%</b>	<b>(80,868)</b>
<b>AGENCY</b>						
OPERATING COSTS	(2,807,025)	641,081				
<b>TOTAL AGENCY</b>	<b>(2,807,025)</b>	<b>641,081</b>				
<b>TOTAL EXPENSE</b>	<b>137,104,985</b>	<b>153,869,842</b>	<b>150,786,525</b>	<b>149,022,502</b>	<b>-1.2%</b>	<b>(1,764,023)</b>

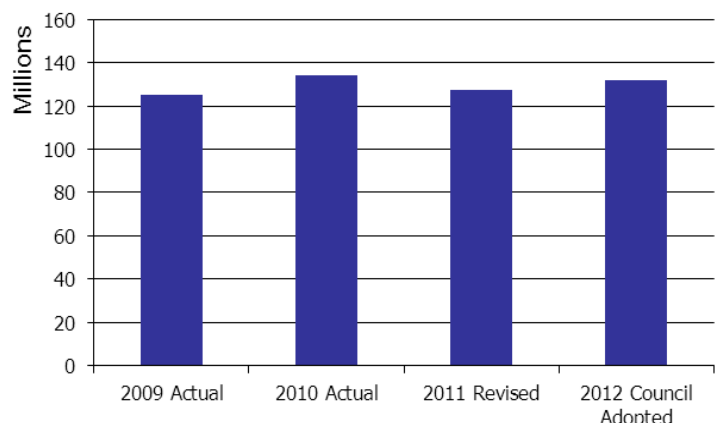
## REVENUES

AGENCY	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change	Change
INTEREST	(10,649)	(31,875)				
<b>TOTAL AGENCY</b>	<b>(10,649)</b>	<b>(31,875)</b>				
<b>GENERAL</b>						
CHARGES FOR SALES	6,165	16,000	5,000	15,000	200.0%	10,000
CHARGES FOR SERVICES	3,265	497	1,500		-100.0%	(1,500)
CONTRIBUTIONS	461,274	487,561	450,000	800,000	77.8%	350,000
FRANCHISE FEES	3,213,725	3,156,797	3,100,000	3,100,000	0.0%	
LOCAL GOVERNMENT	6,012		5,000		-100.0%	(5,000)
OTHER MISC REVENUES	18,941	22,846	67,108	15,000	-77.6%	(52,108)
RENTS	32,321	4,227	10,000		-100.0%	(10,000)
<b>TOTAL GENERAL</b>	<b>3,741,701</b>	<b>3,687,929</b>	<b>3,638,608</b>	<b>3,930,000</b>	<b>8.0%</b>	<b>291,392</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES	4,583,253	4,499,809	5,280,000	5,140,000	-2.7%	(140,000)
CONTRIBUTIONS	825,000	704,898	700,000		-100.0%	(700,000)
FEDERAL GOVERNMENT	2,042,416	5,499,791	3,500,000	3,124,350	-10.7%	(375,650)
INTEREST	439,749	402,611	359,760	314,359	-12.6%	(45,401)
LOCAL GOVERNMENT	8,935	1,250,000				
OTHER MISC REVENUES	2,577,089	2,554,738	2,520,000	2,509,000	-0.4%	(11,000)
RENTS	6,410,144	6,203,352	6,400,000	6,492,000	1.4%	92,000
SALES AND OTHER TAXES	54,868,226	61,306,954	59,038,997	64,865,392	9.9%	5,826,395
STATE GOVERNMENT	594,321	577,834	562,151	556,000	-1.1%	(6,151)
<b>TOTAL SPECIAL REVENUE</b>	<b>72,349,132</b>	<b>82,999,986</b>	<b>78,360,908</b>	<b>83,001,101</b>	<b>5.9%</b>	<b>4,640,193</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	349,907	300,351	375,000	365,000	-2.7%	(10,000)
CHARGES FOR SERVICES	36,076,435	34,949,759	31,424,176	31,384,142	-0.1%	(40,034)
FEDERAL GOVERNMENT	106,220					
GAINS	(99,203)	(77,524)				
OTHER MISC REVENUES	27,709	142,321	60,970	3,000	-95.1%	(57,970)
RENTS	12,670,361	12,427,824	13,547,884	13,351,440	-1.4%	(196,444)
<b>TOTAL INTERNAL SERVICE</b>	<b>49,131,429</b>	<b>47,742,731</b>	<b>45,408,030</b>	<b>45,103,582</b>	<b>-0.7%</b>	<b>(304,448)</b>
<b>TOTAL REVENUES</b>	<b>125,211,613</b>	<b>134,398,771</b>	<b>127,407,546</b>	<b>132,034,683</b>	<b>3.6%</b>	<b>4,627,137</b>

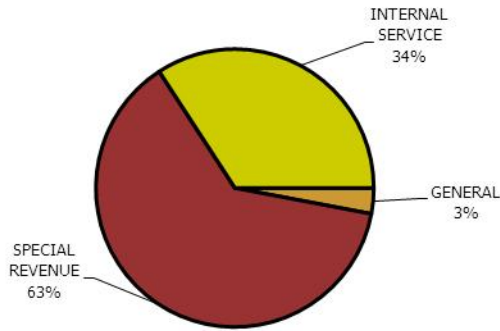
### Expense 2009 - 2012



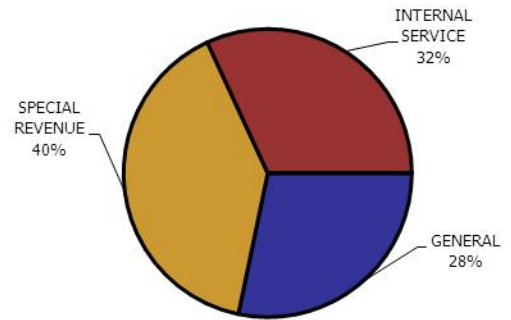
### Revenue 2009 - 2012



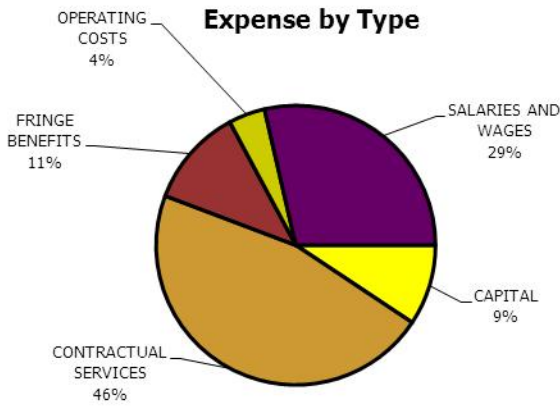
**Revenue by Fund**



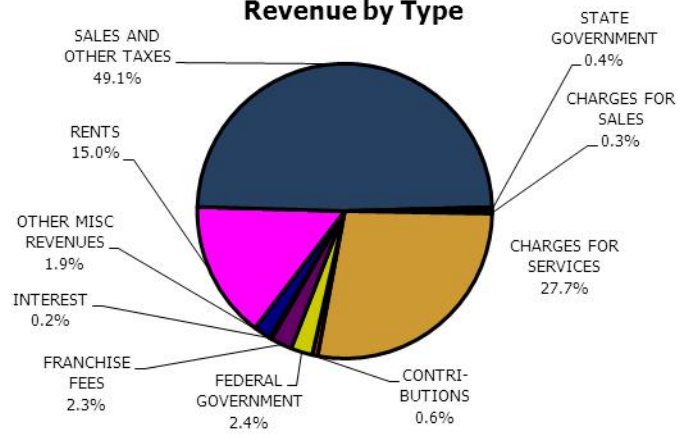
**Expense by Fund**



**Expense by Type**



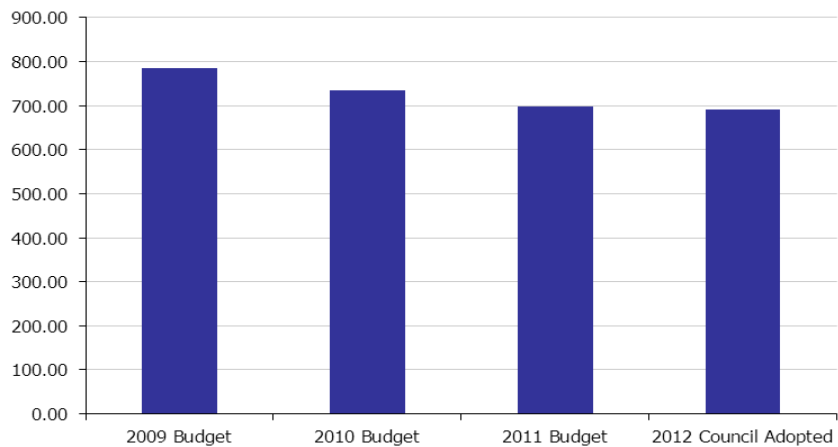
**Revenue by Type**



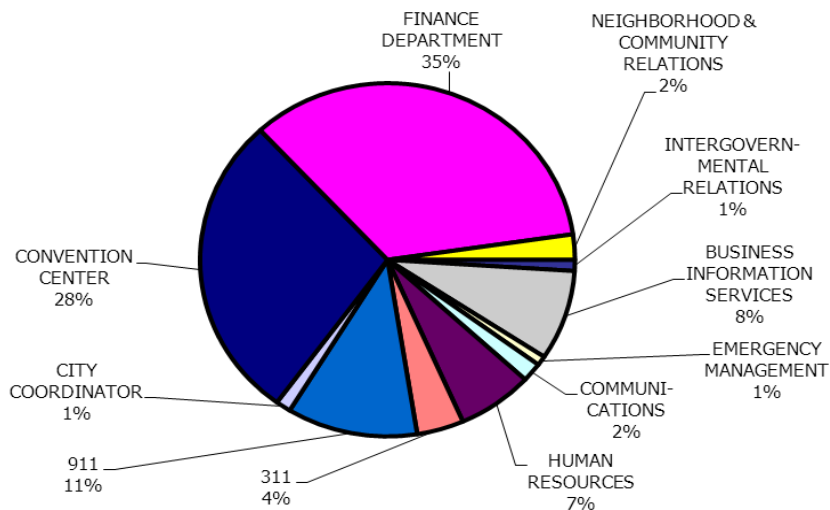
## CITY COORDINATOR Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
CITY COORDINATOR ADMIN (SHOWN SEPARATELY FROM DIVISIONS BELOW)	9.00	9.00	9.00	9.00	0.0%	
311	34.00	28.00	28.00	28.00	0.0%	
911	84.00	78.00	78.00	78.00	0.0%	
EMERGENCY MANAGEMENT	6.40	5.40	7.41	6.00	-19.0%	(1.41)
COMMUNICATIONS	15.00	14.00	14.00	12.00	-14.3%	(2.00)
HUMAN RESOURCES	52.00	47.60	47.60	45.30	-4.8%	(2.30)
INTERGOVERNMENTAL RELATIONS	8.00	8.00	8.00	7.00	-12.5%	(1.00)
BUSINESS INFORMATION SERVICES	90.00	80.00	59.00	57.00	-3.4%	(2.00)
CONVENTION CENTER	208.18	208.18	193.00	194.10	0.6%	1.10
FINANCE DEPARTMENT	269.00	247.00	240.00	239.00	-0.4%	(1.00)
NEIGHBORHOOD & COMMUNITY RELATIONS	8.50	8.50	16.00	16.00	0.0%	(0.00)
<b>Total CITY COORDINATOR Depts</b>	<b>784.08</b>	<b>733.68</b>	<b>700.01</b>	<b>691.40</b>	<b>-1.2%</b>	<b>(8.61)</b>

**Positions 2009 - 2012**



**Staffing by Department**



# CITY COORDINATOR ADMINISTRATION

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## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Jobs and Economic Vitality

#### **Strategic Partnerships**

General Fund: \$197,480

##### *City Coordinator Administration*

This program identifies and pursues partnerships with corporations and foundations that are new and enhance our ability to deliver on City Goals and Strategic Directions. This program keys in on various operating department goals and projects and link them to corporate or foundation partners. In many cases the department raises funds to support the City's efforts and in other cases help similarly-focused nonprofits engage one another to leverage their efforts.

*Measure: Level of directed or in-kind support from the private and nonprofit sectors*

### Eco-Focused

#### **Office of Sustainability**

General Funds: \$367,592

##### *City Coordinator Administration*

The workplan and business model focuses on the following outcomes:

- 1) Residents are connected to and engaged with each other and the City around sustainability issues. They are empowered /activated.
- 2) City leaders - elected and managers are effective champions of sustainable practices/initiatives.
- 3) Sustainability indicators and data are outcome-based, relevant, focused, and applied effectively in decision-making.
- 4) Sustainability public outreach is exciting, informative and engaging.
- 5) Strong, successful relationships with partners committed to sustainability exist in Minneapolis.
- 6) The business community embraces sustainability as a standard practice

The above outcomes are achieved through our work in the following areas:

- A. Advancing sustainability initiatives.
- B. Conducting public outreach.
- C. Building partnerships and securing funding.
- D. Staffing the Citizens Environmental Advisory Committee and Environmental Coordinating Team.
- E. Coordinating the annual update of the Living Well and GreenPrint Report.

*Measure: Citywide carbon dioxide emissions*

## **Livable Communities/Healthy Lives**

### **Arts Coordination in the Community and the City Enterprise** General Fund: \$101,920 *City Coordinator Administration*

The Arts and Culture chapter of The Minneapolis Plan for Sustainable Growth calls for Minneapolis to "continually grow into a more diverse and vibrant City, ensuring that residents have access to rich and meaningful arts and cultural activities that are vital to the City's quality of life and economic success." Utilizing one FTE-worth of staff support (transferred from CPED to the City Coordinator's Office at Council direction in 2011), a more detailed plan and its implementation will be coordinated throughout City government with many of the same strategic goals as originally conceived by community residents years ago, including but not limited to:

- 1) Integrate and utilize arts and culture as a resource for economic development.
- 2) Develop robust leadership on behalf of cultural development.
- 3) Increase community resources for arts and culture in Minneapolis.
- 4) Promote the City's arts & culture to residents, visitors and civic leadership as an integral aspect of Minneapolis' identity, quality of life, economic vitality and civic health.
- 5) Promote collaborations among arts and cultural organizations, artists and other partners.
- 6) Preserve and strengthen arts education opportunities for youth and adults.

*Measure: Retain and grow jobs in the creative sector*

## **A City that Works**

### **Business Process Improvement Initiative** General Fund: \$150,563 *City Coordinator Administration*

The business process improvement (BPI) initiative provides the framework, facilitation, coaching/mentoring and process expertise to City departments who are looking to improve their service delivery, eliminate problems and errors, streamline their processes, create a process for a new service. The concepts used in BPI come mainly from and are mainly used by the private, though more and more entities in the public sectors and nonprofit sectors are successfully utilizing these concepts in their organizations. The BPI initiative was created 2007 in response to the 2006 City of Minneapolis employee survey and our collective desire for continuous improvement. The most unfavorable response on the employee survey was on the question, "Where I work, we have enough people to get the work done," the survey also found employees do not feel they are tapped enough to share their ideas for business improvements. The core concepts of BPI try to address these two issues by improving work flow, eliminating waste in a process, and engaging the employees who do the work to identify the opportunities for improvement.

*Measure: Employee engagement score*

### **City Coordinator's Office-Strategic Advising, Administration and Results Management** General Fund: \$701,216 *City Coordinator Administration*

The core functions of the City Coordinator's Office include strategic management and policy guidance to all elected and non-elected City leaders, oversight and management of seven City departments, including all of the City's management support departments. Additionally, the City Charter states that the City Coordinator is responsible for recommending a management system for all agencies. Today, the Results Management program provides the guidance and administration on the strategic planning, business planning and

performance measurement & reporting (*Results Minneapolis*) efforts for the City and all departments. Through all this work and more, the core functions of the City Coordinator's Office work toward the achievement of the City's strategic plan and developing a culture focused on innovation, continuous improvement and results.

*Measure: Resident satisfaction with City services*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The City Coordinator Administration Department exclusive of its 311, 911, and Emergency Management Divisions had a \$29,003 or 1.9% reduction in its General Fund allocation because of reductions. The total budget for the Coordinator Administration Division drops from \$1.58 million to \$1.52 million.

### **REVENUE**

The City Coordinator Administration Department exclusive of its 311, 911, and Emergency Management Divisions does not produce revenue. Revenue for these divisions of Coordinator Administration is shown in their sections.

### **FUND ALLOCATION**

This department is funded entirely in the General Fund.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a reduction of \$20,000 from the department's 2011 program proposals.

### **COUNCIL ADOPTED BUDGET**

Council approved the Mayor's recommendations.

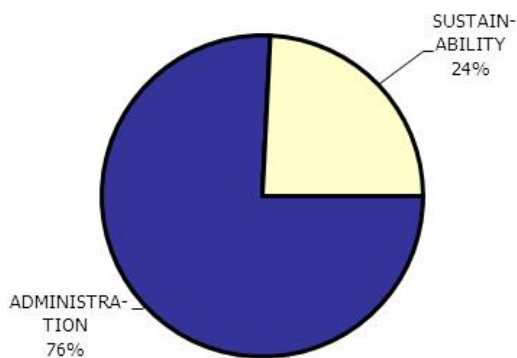


## CITY COORDINATOR EXPENSE AND REVENUE INFORMATION

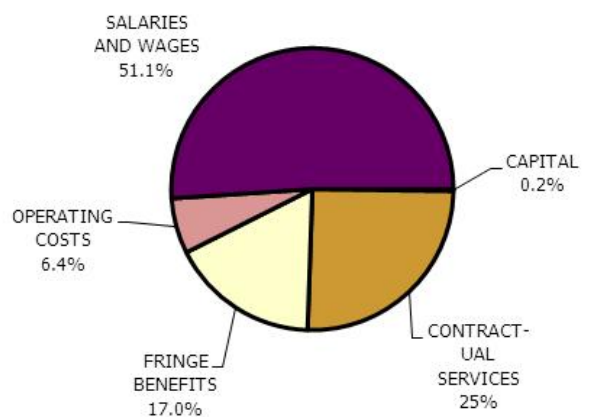
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CAPITAL	372		3,695	3,755	1.6%	60
CONTRACTUAL SERVICES	404,858	274,819	396,986	384,048	-3.3%	(12,938)
FRINGE BENEFITS	246,880	229,004	256,449	258,922	1.0%	2,473
OPERATING COSTS	103,807	111,090	116,315	96,642	-16.9%	(19,673)
SALARIES AND WAGES	894,407	733,066	774,329	775,404	0.1%	1,075
<b>TOTAL GENERAL</b>	<b>1,650,324</b>	<b>1,347,978</b>	<b>1,547,774</b>	<b>1,518,771</b>	<b>-1.9%</b>	<b>(29,003)</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	970	14,406				0
FRINGE BENEFITS			7,469		-100.0%	(7,469)
OPERATING COSTS		2,250				0
SALARIES AND WAGES			20,677		-100.0%	(20,677)
<b>TOTAL SPECIAL REVENUE</b>	<b>970</b>	<b>16,656</b>	<b>28,146</b>		<b>-100.0%</b>	<b>(28,146)</b>
<b>TOTAL EXPENSE</b>	<b>1,651,293</b>	<b>1,364,634</b>	<b>1,575,920</b>	<b>1,518,771</b>	<b>-3.6%</b>	<b>(57,149)</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
FEDERAL GOVERNMENT		80				0
STATE GOVERNMENT		6,000				0
<b>TOTAL SPECIAL REVENUE</b>		<b>6,080</b>				<b>0</b>
<b>TOTAL REVENUE</b>		<b>6,080</b>				<b>0</b>

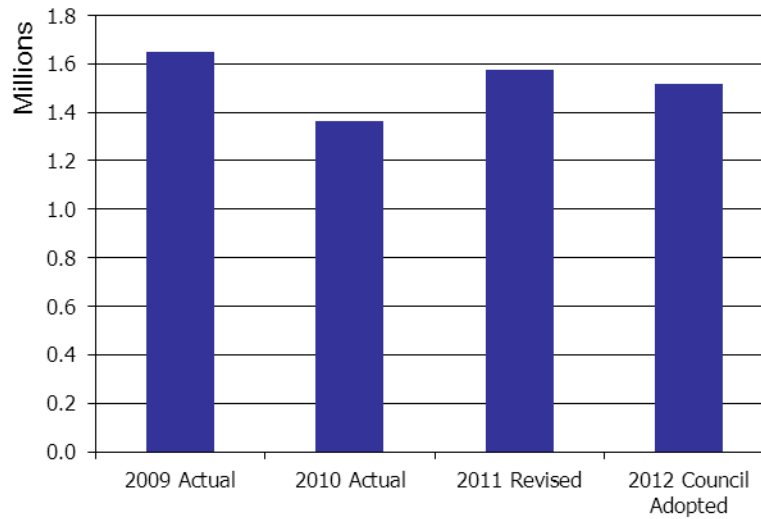
**Expense by Division**



**Expense by Category**



### Expense 2009 - 2012

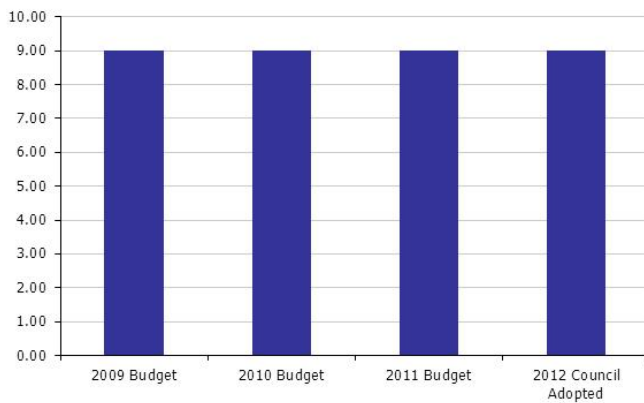


### CITY COORDINATOR

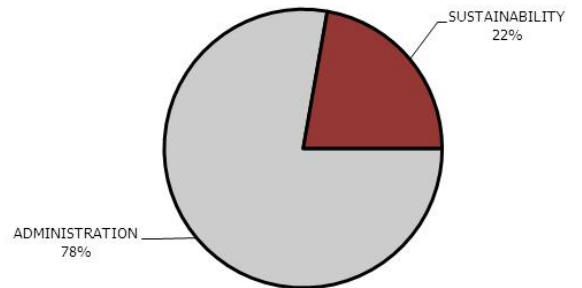
#### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ADMINISTRATION	7.00	7.00	7.00	7.00	0.0%	
SUSTAINABILITY	2.00	2.00	2.00	2.00	0.0%	
<b>TOTAL</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>0.0%</b>	

### Positions 2009-2012



### Positions by Division



# 311

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## MISSION

311 serves as the single point of contact for local government information and services providing accountability and transparency by:

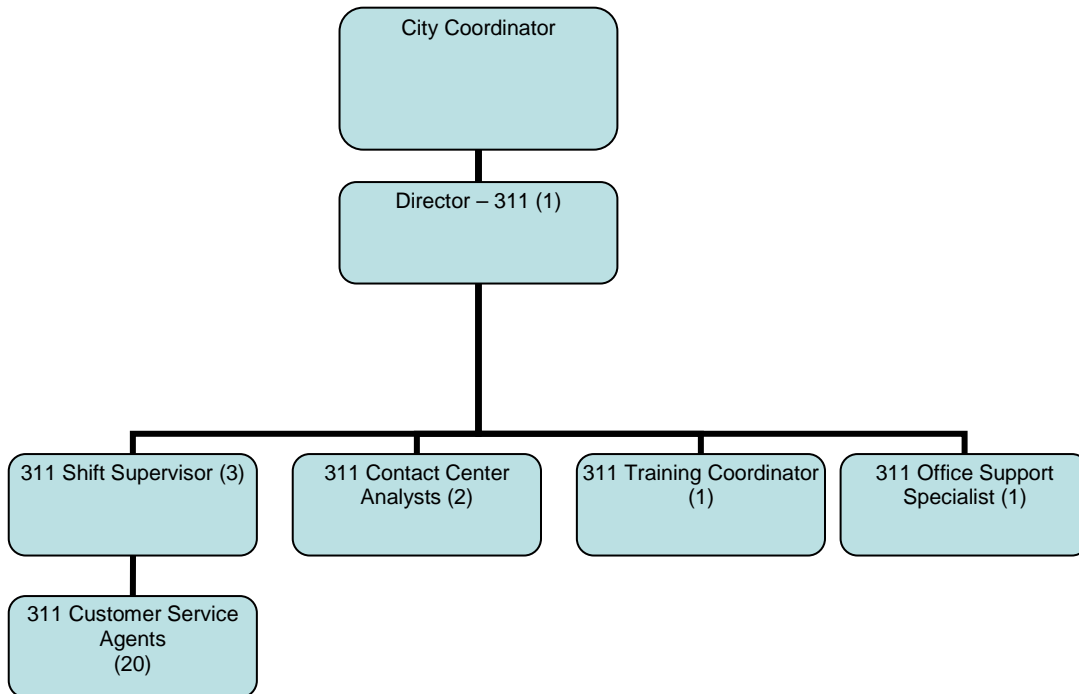
- Simplifying access to information and services
- Enabling organizations to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing process solutions

## BUSINESS LINES

The 311 Department is the primary source of contact for government by providing a single access point for all information and services.

- Answer questions utilizing our knowledge tools
- Initiate a Service Request within the Enterprise Case Management (ECM) system for processing by our resolving departments
- When 311 is not able to resolve a customer request or issue, 311 will connect the customer to an expert within the City who can

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A City that Works

311

General Funds: \$2,961,545

311 serves as the single point of contact for local government information and services providing accountability and transparency by simplifying access to information and services, enabling organizations to deliver services more effectively, tracking requests for service delivery from inception to completion and providing process solutions.

*Measure: Resident accessibility in contacting 311*

### FINANCIAL ANALYSIS

#### EXPENDITURE

The 311 Division of the City Coordinator's Administration Department has increased funding for workers compensation by \$5,000, BIS internal services funding by \$32,000, and rent increases of \$2,000 with reductions made to account for decreasing costs for providing the current level of services. The division's budget drops from \$3.01 million to \$2.96 million in 2012, or 1.7%, which is funded entirely in the General Fund.

#### REVENUE

This division does not generate revenue.

#### FUND ALLOCATION

This division is entirely funded in the General Fund.

#### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes.

#### COUNCIL ADOPTED BUDGET

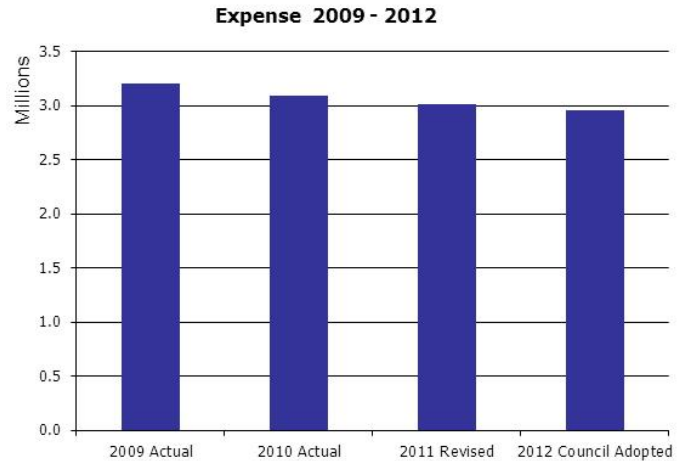
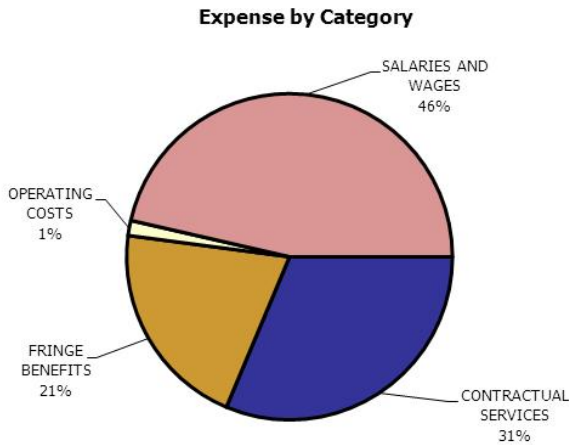
The Council decreased the Mayor's Recommended Budget for 311 by \$125,000 on a one-time basis and increased the City Council & Clerk Department appropriation by \$125,000 on a one-time basis.

The Council also directed 311 to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures.

## 311 EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES						0
<b>TOTAL SPECIAL REVENUE</b>						<b>0</b>
<b>GENERAL</b>						
CONTRACTUAL SERVICES	1,018,742	1,034,502	954,716	928,218	-2.8%	(26,498)
FRINGE BENEFITS	626,162	608,905	618,206	614,243	-0.6%	(3,963)
OPERATING COSTS	26,265	18,044	44,197	44,393	0.4%	196
SALARIES AND WAGES	1,529,083	1,430,606	1,396,995	1,374,692	-1.6%	(22,303)
<b>TOTAL GENERAL</b>	<b>3,200,252</b>	<b>3,092,056</b>	<b>3,014,114</b>	<b>2,961,545</b>	<b>-1.7%</b>	<b>(52,569)</b>
<b>TOTAL EXPENSE</b>	<b>3,200,252</b>	<b>3,092,056</b>	<b>3,014,114</b>	<b>2,961,545</b>	<b>-1.7%</b>	<b>(52,569)</b>

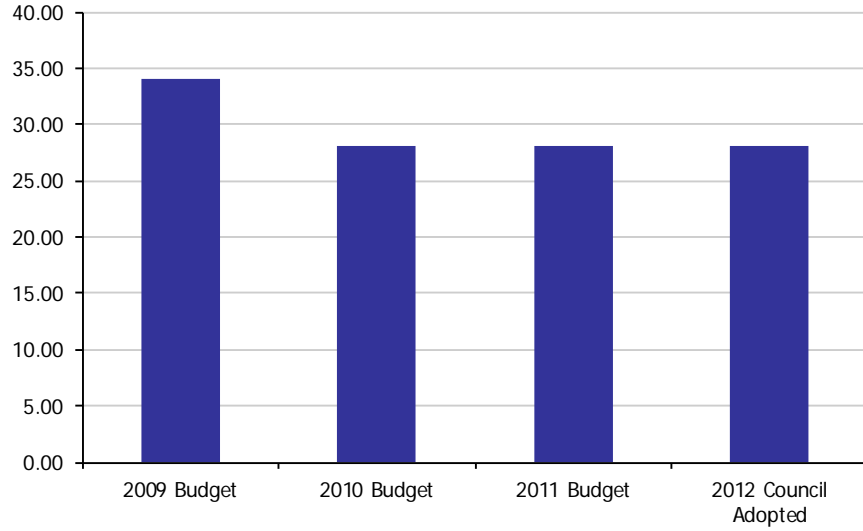
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	3,001					0
<b>TOTAL GENERAL</b>	<b>3,001</b>					<b>0</b>
<b>TOTAL REVENUE</b>	<b>3,001</b>					<b>0</b>



## 311 Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
311	34.00	28.00	28.00	28.00	0.0%	
<b>TOTAL</b>	<b>34.00</b>	<b>28.00</b>	<b>28.00</b>	<b>28.00</b>	<b>0.0%</b>	

### Positions 2009-2012



# 911

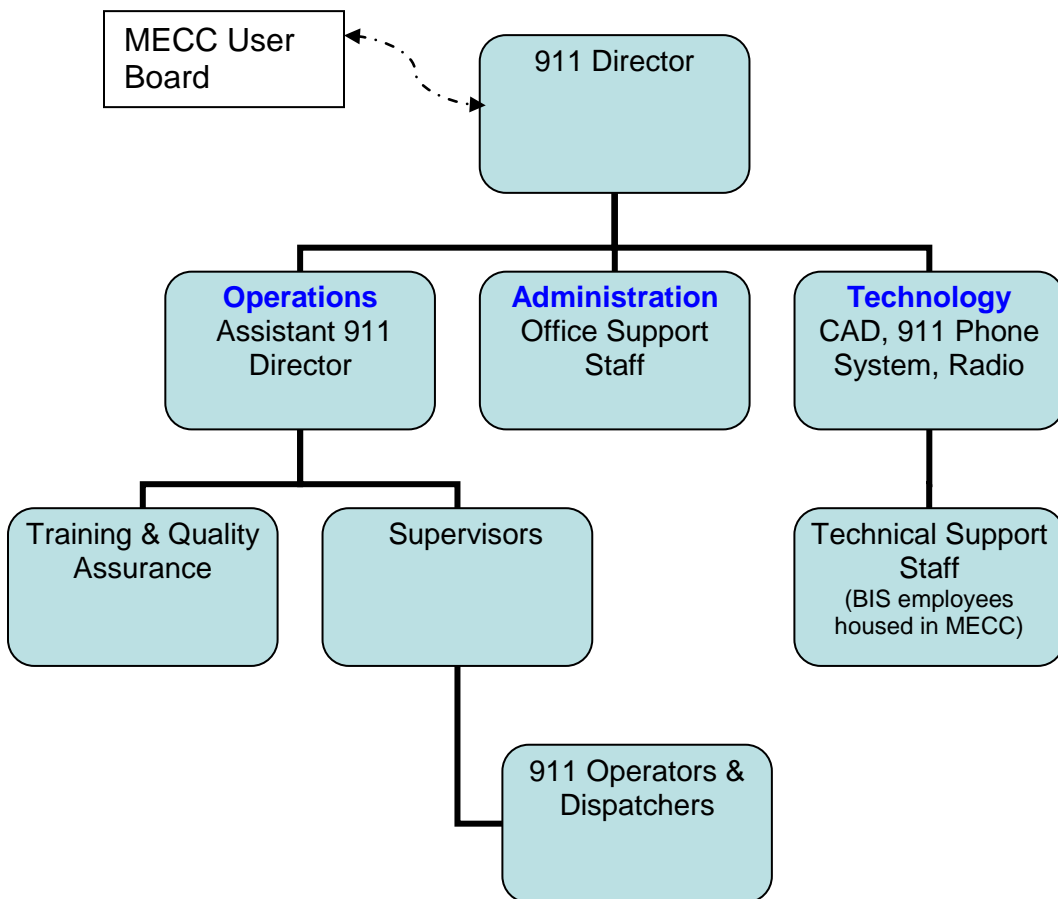
## MISSION

911 forms the vital link between the public and emergency responders. The department strives to collect and disseminate all requests for service in a prompt, courteous and efficient manner. Through our actions we help save lives, protect property and assist the public in their time of emergency need.

## BUSINESS LINES

- Emergency and non-emergency public safety call answering and processing
- Public safety resource dispatching
- Disaster/Emergency warnings and notifications

**911 Organizational Chart**



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A Safe Place to Call Home

911

General Fund: \$7,296,626

Other Funds: \$556,000

The 911 program is the key interface between the public and public safety. Persons who are in or witnessing an emergency life-threatening situation have been coached and trained extensively to call 911 immediately. The 911 operators stay on the phone with the caller while dispatchers send help to the scene using radio and computer communications with Police, Fire, Emergency Medical Services or others. 911 is a 24/7 operation and the response time must be as rapid as possible, given the many emergency situations that occur where every second counts.

*Measure: Response times*

### FINANCIAL ANALYSIS

#### EXPENDITURE

The 911 Division of the Regulatory Services Department is transferred in 2012 to the City Coordinator's Administration Department. This division submitted a program proposal with base funding to provide the same level of service it provided in 2011. General Fund resources for this division grow by 1.6% from 2011 to 2012 with \$7.3 million in total. Total funding for this division increases 1.4% to \$7.9 million.

#### REVENUE

The department anticipates collecting \$0.6 million in 911 surcharge fees in 2012.

#### FUND ALLOCATION

This division is funded mostly in the General Fund (93%) with some funding in special revenue funds (7%).

#### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a reduction of \$50,000 from the department's program proposal.

#### COUNCIL ADOPTED BUDGET

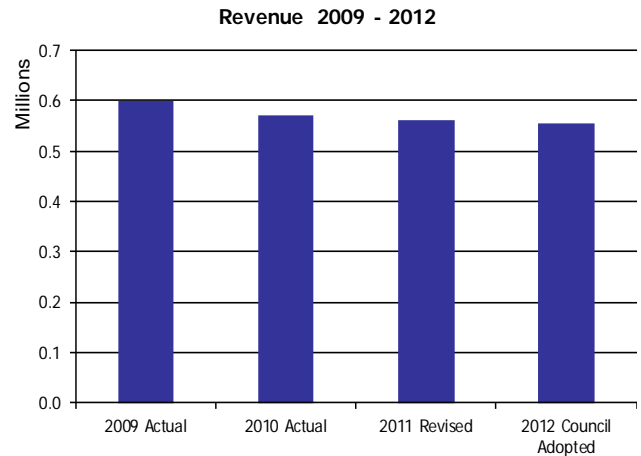
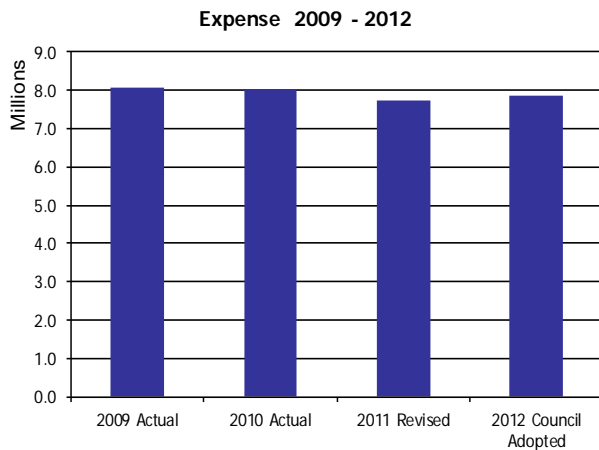
Council approved the Mayor's recommendations.



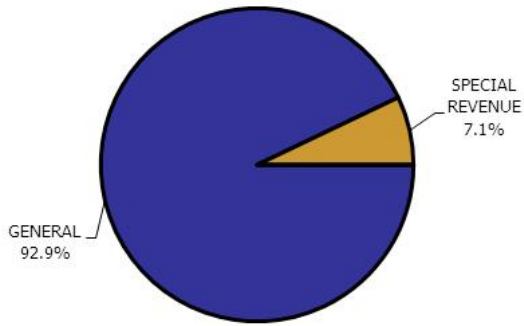
## 911 EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	152	1,821				0
<b>TOTAL AGENCY</b>	<b>152</b>	<b>1,821</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL			10,417	10,417	0.0%	0
CONTRACTUAL SERVICES	904,482	843,245	883,527	782,087	-11.5%	(101,440)
FRINGE BENEFITS	1,665,164	1,700,095	1,608,748	1,678,604	4.3%	69,856
OPERATING COSTS	111,974	112,043	92,231	91,496	-0.8%	(735)
SALARIES AND WAGES	4,801,779	4,799,728	4,588,997	4,734,022	3.2%	145,025
<b>TOTAL GENERAL</b>	<b>7,483,398</b>	<b>7,455,111</b>	<b>7,183,920</b>	<b>7,296,626</b>	<b>1.6%</b>	<b>112,706</b>
<b>SPECIAL REVENUE</b>						
CAPITAL			16,303		-100.0%	(16,303)
CONTRACTUAL SERVICES	566,425	560,279	545,848	546,000	0.0%	152
OPERATING COSTS	13,802	11,555		10,000		10,000
SALARIES AND WAGES	16,000					0
<b>TOTAL SPECIAL REVENUE</b>	<b>596,227</b>	<b>571,834</b>	<b>562,151</b>	<b>556,000</b>	<b>-1.1%</b>	<b>(6,151)</b>
<b>TOTAL EXPENSE</b>	<b>8,079,776</b>	<b>8,028,766</b>	<b>7,746,071</b>	<b>7,852,626</b>	<b>1.4%</b>	<b>106,555</b>

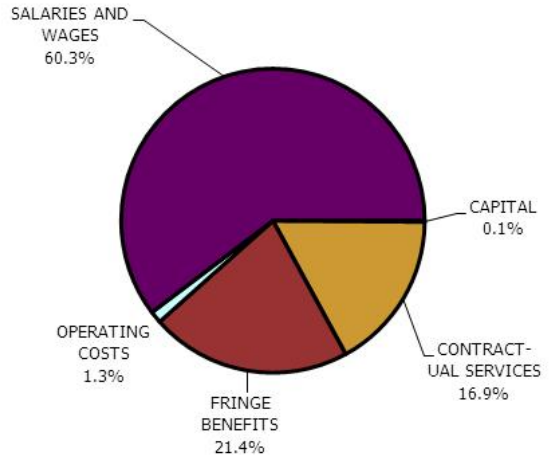
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	(36)	497				0
<b>TOTAL GENERAL</b>	<b>(36)</b>	<b>497</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
INTEREST	4,488					0
STATE GOVERNMENT	594,321	571,834	562,151	556,000	-1.1%	(6,151)
<b>TOTAL SPECIAL REVENUE</b>	<b>598,808</b>	<b>571,834</b>	<b>562,151</b>	<b>556,000</b>	<b>-1.1%</b>	<b>(6,151)</b>
<b>TOTAL REVENUE</b>	<b>598,772</b>	<b>572,331</b>	<b>562,151</b>	<b>556,000</b>	<b>-1.1%</b>	<b>(6,151)</b>



**Expense by Fund**



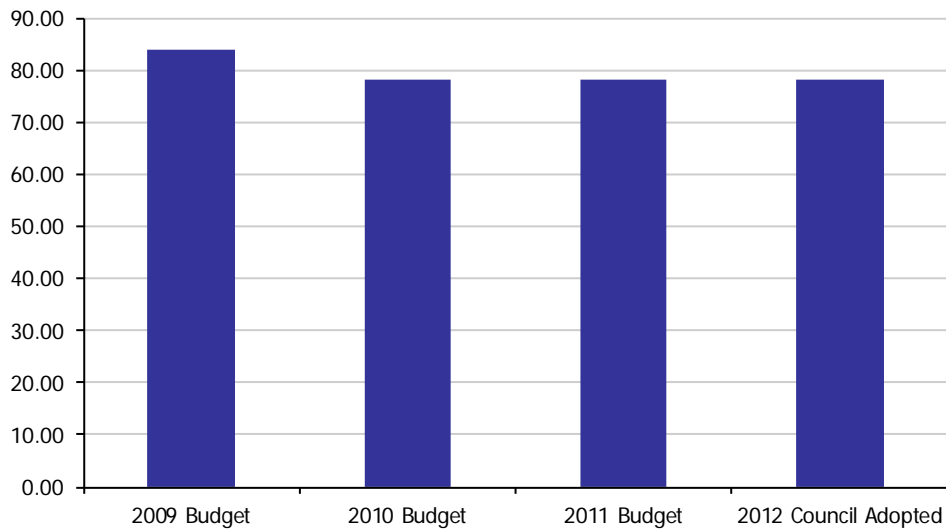
**Expense by Category**



**911  
Staffing Information**

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
911	84.00	78.00	78.00	78.00	0.0%	-
<b>TOTAL</b>	<b>84.00</b>	<b>78.00</b>	<b>78.00</b>	<b>78.00</b>	<b>0.0%</b>	<b>-</b>

**Positions 2009-2012**



# EMERGENCY MANAGEMENT

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## MISSION

The mission of Emergency Management is to maintain a high level of preparedness to ensure that all City departments have the skills, knowledge and resources necessary to develop and implement the Emergency Operations Plan; to protect the residents and visitors of Minneapolis; to mitigate loss of life and property prior to, during and immediately after a disaster; and to facilitate the speedy recovery of the City.

MN Statute Chapter 12: Emergency Management requires political subdivisions to have emergency managers, as does the Minneapolis Code of Ordinances.

- **MN Statute 12.25 Local organizations. Subdivision 1.** Political subdivisions; director, responsibilities.

*Each political subdivision shall establish a local organization for emergency management in accordance with the state emergency management program, but no town shall establish a local organization for emergency management without approval of the state director. Each local organization for emergency management must have a director appointed forthwith: in a city by the mayor, in a town by the town board, and for a public corporation organized and existing under sections 473.601 to 473.679 by its governing body. The local director is directly responsible for the organization, administration, and operation of the local organization for emergency management, subject to the direction and control of the local governing body.*

- **Minneapolis Code of Ordinances 128.30 – Office of emergency preparedness and management**

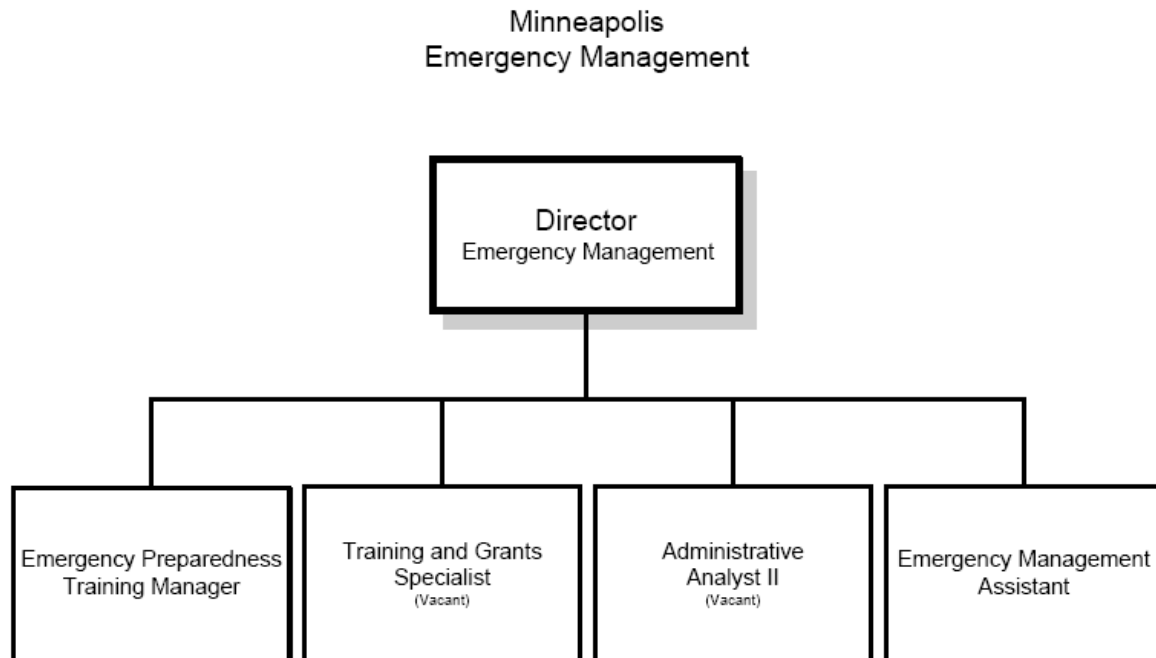
*There shall be an office of emergency preparedness and management which shall be under the supervision and control of the mayor. The city council shall provide for the necessary expense of the office of emergency preparedness and management and the mayor shall assign the operational duties of the office of emergency preparedness and management to the assistant city coordinator of regulatory services and emergency preparedness.*

## BUSINESS LINES

Emergency Management is committed to being a national leader in proactive planning, preparation and partnerships to prevent, respond to and recover from all hazards and disasters through the following business lines:

- **Mitigation:** any activities that prevent an emergency, reduce the chance of an emergency happening, or reduce the damaging effects of unavoidable emergencies.
- **Preparedness:** a unified effort based on a gap analysis to develop plans, equip, train and exercise City staff and partners to strengthen our capabilities to prevent, protect, respond to and recover from emergencies of any type.

- **Grants Acquisition and Management:** manage federal assistance and grants through the development of a citywide, comprehensive, risk-based emergency management and homeland security program.
- **Response:** actions taken to save lives and prevent further property damage in a disaster or emergency situation.
- **Recovery:** actions taken to return to a normal or even safer situation following an emergency.



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A Safe Place to Call Home

#### **Emergency Management**

##### *Emergency Management*

General Fund: \$711,258

Other Funds: \$3,124,350

The City Emergency Preparedness program is designed to prepare for major emergencies and to be able to manage them if they occur. The program uses a metro-wide approach given that emergencies are usually not limited to a specific geographic area and usually need a regional, coordinated response. The program strives to build cooperative relationships so jurisdictions will assist each other when needed. Federal grants of about \$3 million per year are obtained to build a network of interrelated preparedness and management features.

*Measure: Perceived sense of safety*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Emergency Management Division of the City Coordinator's Administration Department is moved into this department from Regulatory Services in 2012. The 9.2% drop in General Fund expenditures is due to the reallocation of work between Coordinator Administration and Regulatory Services when the department was transferred. Regulatory Services provided administrative support for Emergency Management while it was in Regulatory Services. As a result, various staff in Regulatory Services Administration coded part of its time to Emergency Management. The 4 FTE included in the 2012 budget submission related to the core program for Emergency Management and did not include administrative support, given the precedent of prior transfers into Regulatory Services (i.e., Fire Inspections and Traffic Control) that did not include administrative support. However, negotiations between Regulatory Services and the Coordinator Administration resulted in an additional 2 FTE due to the need for administrative support, which is provided for in the Council Adopted Budget.

### **REVENUE**

This division is the recipient of federal emergency management grant money which is projected to decline by 10.7% in 2012.

### **FUND ALLOCATION**

This department is funded primarily by special revenue funds (81%) with the rest of departmental funding coming from the General Fund (19%).

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended no changes.

### **COUNCIL ADOPTED BUDGET**

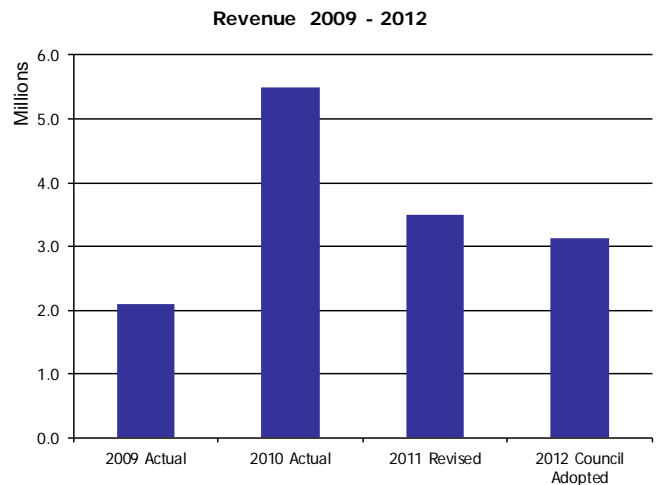
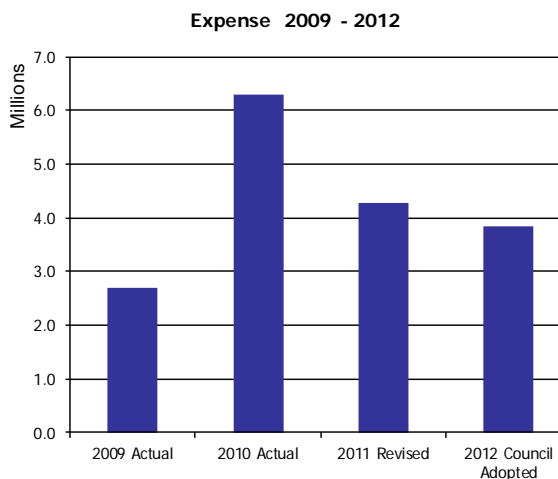
The Council amended the Mayor's Recommended Budget for Emergency Management by increasing the department's General Fund allocation by \$226,303 and decreasing Regulatory Services' General Fund budget by \$226,303. Also, the Council directed Regulatory Services to transfer two FTE (an Administrative Analyst I and Administrative Analyst II) to Emergency Management.

The Council further directed the City Coordinator's Administration Department to make regular reports to relevant Council committees on the success of grant applications for emergency management functions.

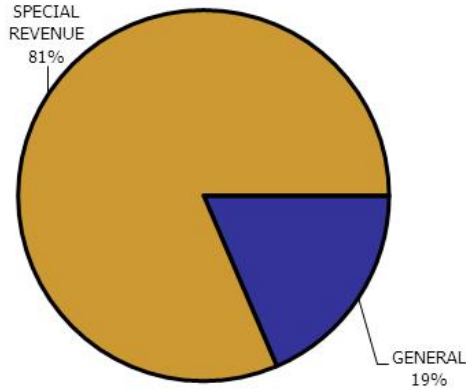
## EMERGENCY MANAGEMENT EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	2,048	(3,472)				0
<b>TOTAL AGENCY</b>	<b>2,048</b>	<b>(3,472)</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL	2,710					0
CONTRACTUAL SERVICES	86,119	175,668	75,864	202,451	166.9%	126,587
FRINGE BENEFITS	101,045	114,745	196,911	121,868	-38.1%	(75,043)
OPERATING COSTS	59,069	54,354	38,456	41,278	7.3%	2,822
SALARIES AND WAGES	334,534	368,099	472,121	345,661	-26.8%	(126,460)
<b>TOTAL GENERAL</b>	<b>583,477</b>	<b>712,865</b>	<b>783,352</b>	<b>711,258</b>	<b>-9.2%</b>	<b>(72,094)</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	36,078	207,256	1,000,000	1,000,000	0.0%	0
CONTRACTUAL SERVICES	1,459,848	4,382,177	2,500,000	2,000,000	-20.0%	(500,000)
FRINGE BENEFITS	3,232	31,509		34,337		34,337
OPERATING COSTS	560,732	846,202				0
SALARIES AND WAGES	39,972	113,917		90,014		90,014
<b>TOTAL SPECIAL REVENUE</b>	<b>2,099,862</b>	<b>5,581,061</b>	<b>3,500,000</b>	<b>3,124,350</b>	<b>-10.7%</b>	<b>(375,650)</b>
<b>TOTAL EXPENSE</b>	<b>2,685,387</b>	<b>6,290,454</b>	<b>4,283,352</b>	<b>3,835,608</b>	<b>-10.5%</b>	<b>(447,744)</b>

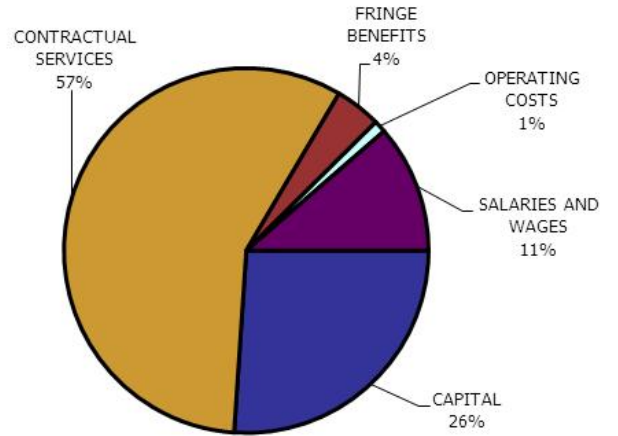
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS	50,000					0
FEDERAL GOVERNMENT	2,042,416	5,487,404	3,500,000	3,124,350	-10.7%	(375,650)
LOCAL GOVERNMENT	8,935					0
OTHER MISC REVENUES		5,785				0
<b>TOTAL SPECIAL REVENUE</b>	<b>2,101,350</b>	<b>5,493,189</b>	<b>3,500,000</b>	<b>3,124,350</b>	<b>-10.7%</b>	<b>(375,650)</b>
<b>TOTAL REVENUE</b>	<b>2,101,350</b>	<b>5,493,189</b>	<b>3,500,000</b>	<b>3,124,350</b>	<b>-10.7%</b>	<b>(375,650)</b>



**Expense by Fund**



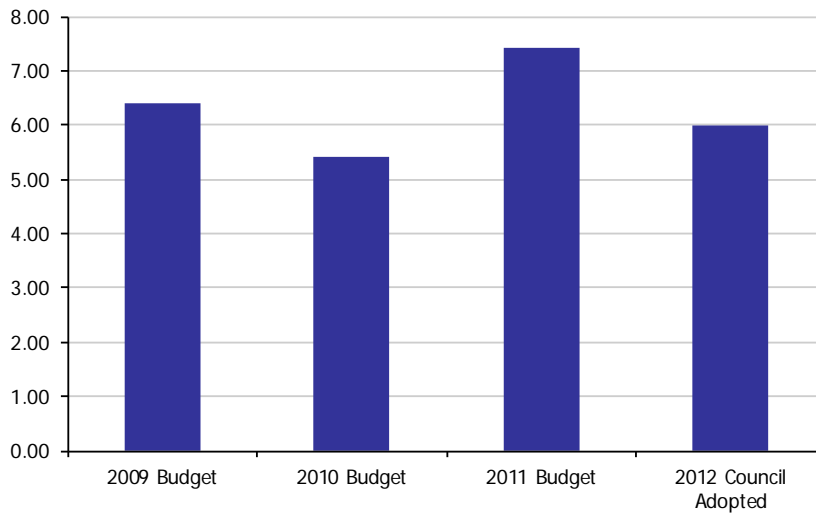
**Expense by Category**



**EMERGENCY MANAGEMENT  
Staffing Information**

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
EMERGENCY MANAGEMENT	6.40	5.40	7.41	6.00	-19.0%	(1.41)
<b>TOTAL</b>	<b>6.40</b>	<b>5.40</b>	<b>7.41</b>	<b>6.00</b>	<b>-19.0%</b>	<b>(1.41)</b>

**Positions 2009-2012**



## BUSINESS INFORMATION SERVICES

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### MISSION

Our mission is to deliver innovative, high quality, cost effective computing, networking, information management and business apps management services to City departments in support of their business goals and objectives. BIS strives to be a valued partner in technology by providing innovative solutions to City needs, challenges and opportunities.

### BUSINESS LINES

BIS delivers service through four business lines:

**Computing:** The City's computing applications run on computers that require architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. BIS accomplishes this through a managed services contract with Unisys.

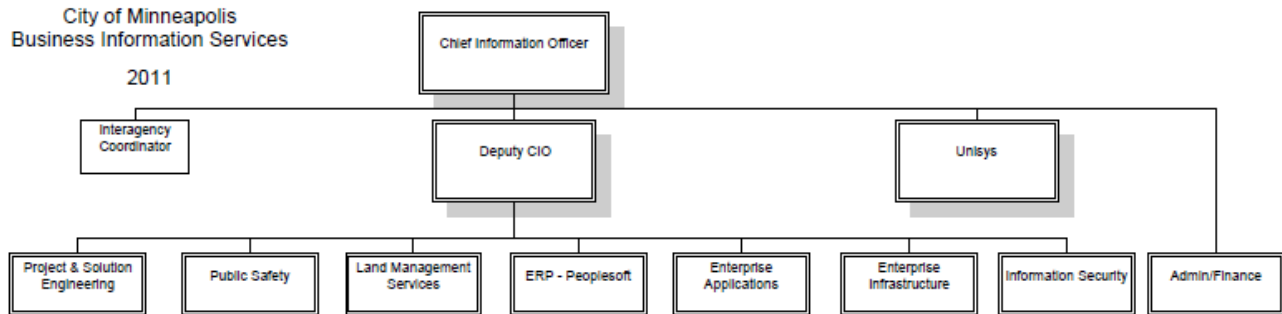
**Information Management:** The City's computing applications make use of electronic data that requires databases to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. BIS accomplishes this through managed services contracts and staff.

**Networking:** The City has deployed both commercial and in-house communications networks throughout the city to connect employees with their computing applications, each other, outside networks, and the Internet. Data, voice and video is transported through land line and wireless City networks. Devices supported include desk phones, cell phones, smart phones, tablets (such as the iPad), laptops, desktop PCs, etc. Communications networks require network electronics and those user devices to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. BIS accomplished this through several telecommunications services contracts, managed services contracts and staff.

**Business Apps Management:** Computer software systems and applications require project management, requirements gathering, business and technical architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. BIS accomplishes this through several professional services contracts and staff.



## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A City that Works

#### **Employee Computing Mobility**

General Fund: \$50,000

##### *Business Information Services*

The City of Minneapolis seeks to empower employees with access to information and each other, no matter where their work takes them. The Employee Computing Mobility initiative will ensure information-sharing, cross-department collaboration, and computing system access stays at employee finger tips while meeting the needs of City staff, residents, businesses and visitors.

From 2006 to 2009 the City implemented a citywide Wi-Fi network to provide connectivity to employees while in the field. Unfortunately, when those same employees work within a City building and leave their desk, they become electronically isolated from their data, information systems and each other. The Employee Computing Mobility program will provide wireless high-speed communications to City applications and the Internet within every City building. In a digital world, City residents and businesses expect City workers to always be efficient and effective no matter where they are working. For City workers to be effective decision-makers and to achieve greater efficiencies, requires more computing capabilities wherever the workplace.

*Measure: Satisfaction rating of internally provided City services*

#### **Computing**

Other Funds: \$11,386,965

##### *Business Information Services*

The City's computing applications run on computers that require architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. BIS accomplishes this through a managed services contract with Unisys.

*Measure: Satisfaction rating of internally provided City services*

## **Information Management**

Other Funds: \$1,696,624

### *Business Information Services*

The City's computing applications make use of electronic data that requires databases to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. BIS accomplishes this through managed services contracts and staff.

*Measure: Satisfaction rating of internally provided City services*

## **Networking**

Other Funds: \$4,574,299

### *Business Information Services*

The City has deployed both commercial and in-house communications networks throughout the city to connect employees with their computing applications, each other, outside networks, and the Internet. Data, voice and video is transported through land line and wireless City networks. Devices supported include desk phones, cell phones, smartphones, tablets (such as the iPad), laptops, desktop PCs, etc. Communications networks require network electronics and those user devices to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. BIS accomplished this through several telecommunications services contracts, managed services contracts and staff.

*Measure: Satisfaction rating of internally provided City services*

## **Business Apps Management**

Other Funds: \$9,016,066

### *Business Information Services*

Computer software systems and applications require project management, requirements gathering, business and technical architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. BIS accomplishes this through several managed services contracts and staff.

*Measure: Satisfaction rating of internally provided City services.*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

BIS is primarily funded through a cost allocation model that generates revenue from charges to other City departments, with total department expenditures increasing from \$25.9 to \$26.7 million from 2011 to 2012, a \$0.8 million or 3.1% increase. The increase in cost includes funding for the Employee Computing Mobility program with \$50,000 in General Fund dollars.

### **REVENUE**

BIS generates revenue through its cost allocation model. Revenues from this model are projected to increase by \$487,469 from 2011 to 2012.

### **FUND ALLOCATION**

This department is funded almost entirely by internal service funds with \$50,000 in funding from the General Fund to start the Employee Computing Mobility Project.

**MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended \$240,000 in one-time startup money for the Employee Computing Mobility program and \$50,000 as well as in ongoing costs, for a total of \$290,000 in General Fund money, making no other changes to department program funding.

**COUNCIL ADOPTED BUDGET**

The Council approved the Mayor's recommendations and amended the budget to decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services Department by \$240,000 and increase 2012 funding in the Communications Department for the MTN program by \$150,000 on a one-time basis, the City Council and Clerk Department by \$30,000 on a one-time basis, and the Internal Audit Department by \$60,000 on a one-time basis.

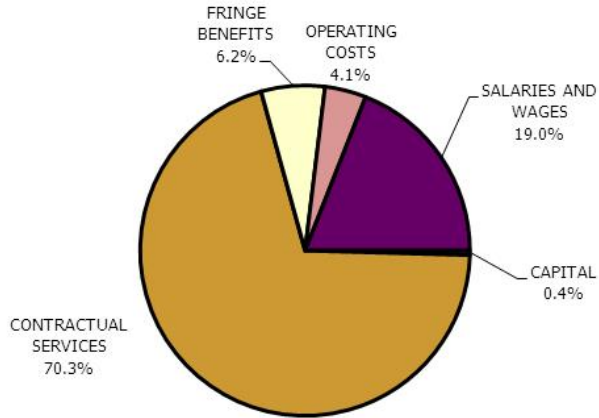
Further, the Council directed BIS to work with ISPSG to make implementation decisions regarding the deployment of the Employee Computing Mobility Program.

**BUSINESS INFORMATION SERVICES  
EXPENSE AND REVENUE INFORMATION**

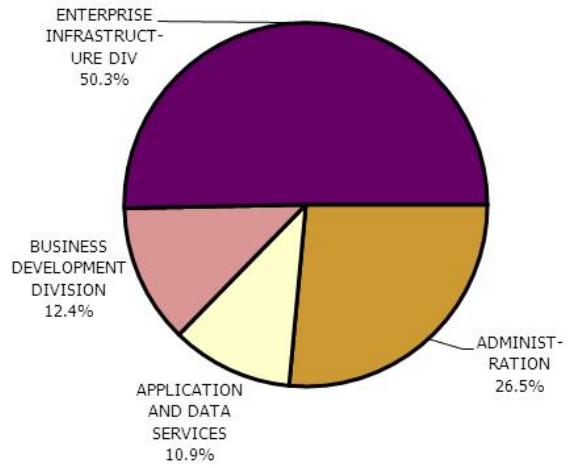
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES				50,000		50,000
FRINGE BENEFITS						0
OPERATING COSTS						0
SALARIES AND WAGES						0
<b>TOTAL GENERAL</b>				<b>50,000</b>		<b>50,000</b>
<b>INTERNAL SERVICE</b>						
CAPITAL			115,497	117,345	1.6%	1,848
CONTRACTUAL SERVICES	18,124,065	18,499,063	18,370,386	18,726,764	1.9%	356,378
FRINGE BENEFITS	1,718,951	1,634,642	1,640,879	1,666,800	1.6%	25,921
OPERATING COSTS	9,590,021	12,331,707	783,173	1,083,636	38.4%	300,463
SALARIES AND WAGES	5,722,687	4,987,278	5,020,613	5,079,409	1.2%	58,796
<b>TOTAL INTERNAL SERVICE</b>	<b>35,155,723</b>	<b>37,452,691</b>	<b>25,930,548</b>	<b>26,673,954</b>	<b>2.9%</b>	<b>743,406</b>
<b>TOTAL EXPENSE</b>	<b>35,155,723</b>	<b>37,452,691</b>	<b>25,930,548</b>	<b>26,723,954</b>	<b>3.1%</b>	<b>793,406</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	20,270	15,485	20,000	10,000	-50.0%	(10,000)
CHARGES FOR SERVICES	29,602,026	30,228,119	26,543,694	27,041,163	1.9%	497,469
GAINS	(99,203)	(77,524)				0
OTHER MISC REVENUES	(62,093)					0
<b>TOTAL INTERNAL SERVICE</b>	<b>29,460,999</b>	<b>30,166,080</b>	<b>26,563,694</b>	<b>27,051,163</b>	<b>1.8%</b>	<b>487,469</b>
<b>TOTAL REVENUE</b>	<b>29,460,999</b>	<b>30,166,080</b>	<b>26,563,694</b>	<b>27,051,163</b>	<b>1.8%</b>	<b>487,469</b>

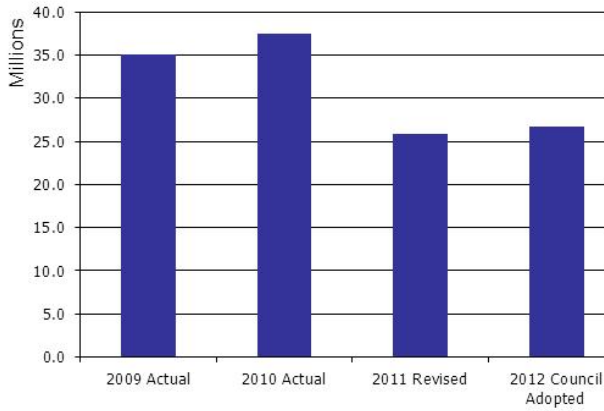
**Expense by Category**



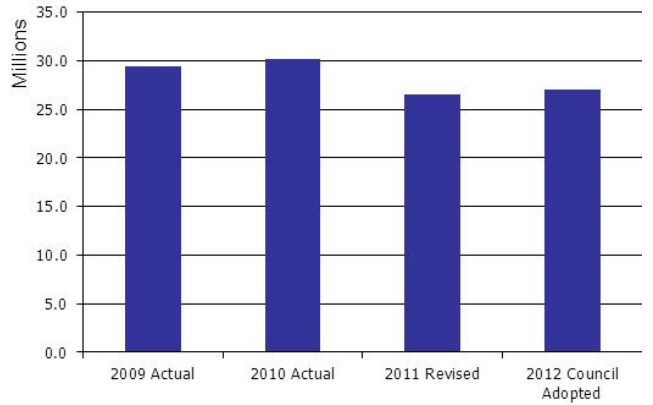
**Expense by Division**



**Expense 2009 - 2012**



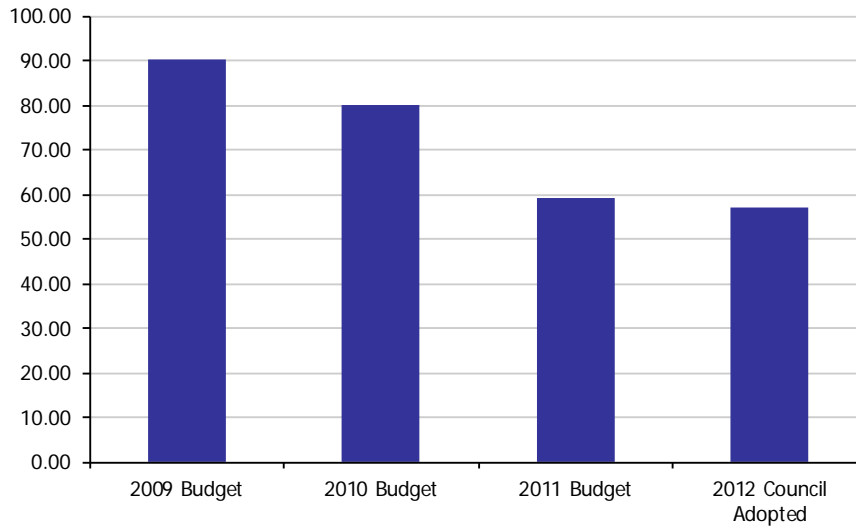
**Revenue 2009 - 2012**



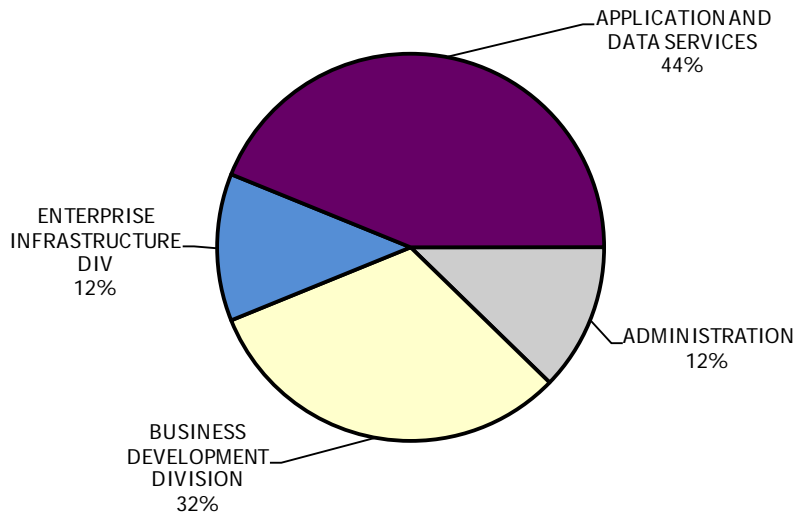
## BUSINESS INFORMATION SERVICES Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ENTERPRISE INFRASTRUCTURE DIV	22.00	18.00	9.00	7.00	-22.2%	(2.00)
ADMINISTRATION	10.00	5.00	8.00	7.00	-12.5%	(1.00)
BUSINESS INFORMATION SERVICES		3.00				
BUSINESS DEVELOPMENT DIVISION	32.00	24.00	16.00	18.00	12.5%	2.00
APPLICATION AND DATA SERVICES	26.00	30.00	26.00	25.00	-3.8%	(1.00)
<b>TOTAL</b>	<b>90.00</b>	<b>80.00</b>	<b>59.00</b>	<b>57.00</b>	<b>-3.4%</b>	<b>(2.00)</b>

### Positions 2009-2012



### Positions by Division



# COMMUNICATIONS

## MISSION

To proactively partner with City departments and policy makers and be a driving force in effectively and accurately communicating information about the City, promoting transparency, and inviting the public to engage in the governing process so people who live, work, and play in Minneapolis better understand, appreciate, and benefit from the work the City does.

## BUSINESS LINES

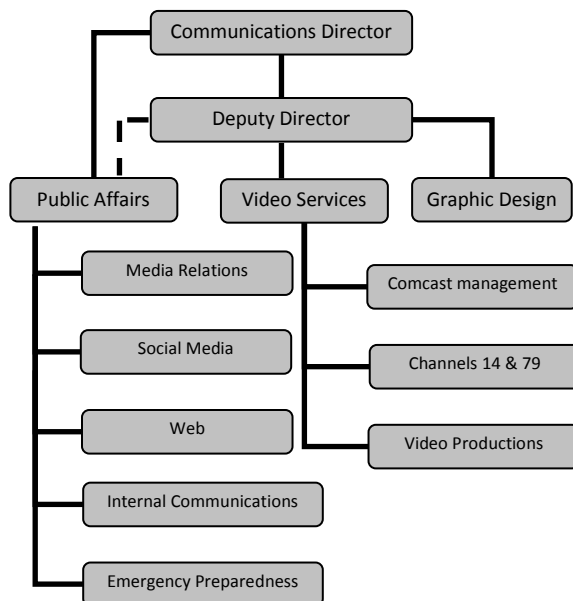
### 1) Lead Communications planning and execution for the City enterprise (internal and external audiences) and assist elected officials and city departments with their proactive and reactive communications challenges and opportunities.

Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet Web content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.

### 2) Manage the City's cable franchise

Communications manages the City's cable franchise, including overseeing the current franchise agreement, handling consumer complaints, and working with the City Attorney's office and the Finance Officer to negotiate a new franchise agreement.

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Many People, One Minneapolis

#### **Public Access Television**

General Fund: \$613,233

##### *Communications*

This program is primarily the direct funding for Minneapolis Television Network, which serves the residents of Minneapolis with tools, programs, and activities to engage and connect diverse residents and institutions through the exchange of ideas, stories, and information. In this way MTN strives to build a vibrant democracy in which all share social, cultural, and economic vitality.

MTN provides access to television broadcast equipment and to cable television channels for the diverse community. MTN's mission centers on empowering communities to bring their own unique voices to cable television. MTN is committed to freedom of speech for all. MTN enables all citizens to exercise this freedom by providing basic television production training, and by airing all work that is created by community producers on its cable channels.

MTN supports public access to media in three ways:

1. training in the use of video, television and Internet technologies.
2. direct community access to cable television channels.
3. unique education and mentoring programs for young people in grades six through twelve.

*Measure: Balance resources in communities with the most pressing need*

### A Safe Place to Call Home

#### **Communications Team: Equipped for an Emergency**

General Fund: \$42,368

##### *Communications*

This program ensures that City Communications staff are properly trained and equipped to manage communications needs during an emergency.

*Measure: Sense of safety*

### A City that Works

#### **Innovation and Leadership-Tools and Training**

General Fund: \$85,397

##### *Communications*

Communications tools and technologies are constantly evolving. As an enterprise, the City needs to offer employees tools and training to help them be more effective employees and leaders, and to help the organization innovate and improve service delivery. This program provides professional development and communications training at all levels of the organization, so that employees understand their role as ambassadors for City government, how best to represent the organization to a variety of audiences, and are able to use our communications tools to effectively inform the public about City work. This also includes professional development/training for Communications staff, as well as partnering with City departments to create training videos that they can use with their own department staff.

- developing training curriculums, related materials and conducting trainings with staff at all levels of the organization (new employee orientations all the way up to on-camera media trainings with the City's top executives).
- producing training videos for City departments.
- Communications staff participating in leading-edge trainings on new tools and technology that have promise for City work

*Measure: Employee performance excellence score*

## **Internal Communications**

General Fund: \$236,100

### *Communications*

The goal of the internal communications program is to build and foster an engaged and informed City workforce, who understand their role in achieving the City's goals and are committed to providing quality services for the people of Minneapolis. This level of information and engagement helps equip employees to serve as ambassadors for City government, which directly impacts the City's reputation as a place to live, work and visit. At its core, this internal communications program includes:

- strategic counsel to City leadership on internal communications strategies,
- driving communications for enterprise initiatives,
- partnering with City departments to assist with their (department-specific) internal communications challenges, and
- providing news-of-the-day digests to City leadership and departments to help keep folks informed of news and information that may impact their work.

A variety of tools are used to help foster an informed and engaged workforce, including Minneapolis Matters (our bi-weekly employee newsletter), the "news" headlines on CityTalk, all-employee emails, and a variety of vehicles developed for specific projects.

Through the internal communications program we use our existing (and emerging) communications channels to deliver a broad range of information that: keeps City employees apprised of employee-related news (changes to benefits, health and wellness information, etc.); offers an enterprise view on major City initiatives and related press coverage, and provides examples of how other levels of government are innovating in their service delivery.

*Measure: Satisfaction rating of internally provided City services*

## **Proactive Communication**

General Fund: \$700,384

### *Communications*

This program intentionally, proactively drives City news and information that promotes the City's goals and strategic initiatives. The goal is to build public awareness about the work and other investments the City is making to achieve those goals, and the progress we are making. In the end, proactive communications also directly impacts the City's ability to achieve its goals because it helps strengthen the City's reputation as a safe, clean, green and economically vibrant place to live, work and visit, and that Minneapolis is a City that works.

This proactive communications program includes:



- driving collaboration with City departments to proactively reach the public on City services or activities that affect them.
- strategic planning and communications management around issues that will impact the community before issues arise.
- using both traditional and new technologies and tools to get information to the public, including through the media; the City's website; Facebook and Twitter social media presences; topical, timely videos; and through direct communications when appropriate, including mailings and other printed materials.
- prioritizing proactive communications efforts around the City's goals.

*Measure: Resident rating on informing residents on major issues in the City*

## **Transparency in Government**

General Fund: \$483,075

### *Communications*

In many ways, this program serves as the foundation for how the City of Minneapolis achieves its goal to be an open, transparent government. This program provides professional, round-the-clock access to city news and information, the policy-making process and opportunities to get involved in the policy-making process. In addition, this program makes appropriate use of and implementation of best practices related to the future of Government, Public and Educational access channels (specifically the government and public portions of that equation). The program includes:

- live broadcasts (and re-airing) of official City government meetings (City Council, committee meetings, budget hearings, Mayor's budget addresses, State of the City, key Board of Estimate and Taxation meetings, Planning Commission)
- 24/7 Web access (and archives) of City government meetings
- promotion of core information about City services and policies, including video productions in English, Spanish, Somali & Hmong, and City's online assets (web, social media, etc) are well-managed and utilized, and provide 24/7 access to City news, information and online services.

*Measure: Resident rating on informing residents of major issues in the City*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The department's General Fund expenditure budget declines by 6.2%, or \$142,789 in 2012, from \$2.3 million to \$2.2 million. All of the department's expenditures are in the General Fund. One FTE was reduced by Council action in late 2011 to maintain Fire Department staffing.

### **REVENUE**

Revenues for 2012 are projected to be \$3.9 million, down 8.2% primarily due to the expiration of the \$700,000 annual payment from the Comcast cable franchise settlement.

### **FUND ALLOCATION**

This department is funded entirely in the General Fund.

#### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a reduction of \$126,000 including 1 FTE and an additional \$250,000 cut to MTN Public Access Television with other programs funded at current expenditure levels.

The Mayor recommended no changes to the other programs.

#### COUNCIL ADOPTED BUDGET

The Council amended the Mayor's Recommended Budget for the Communications Department by increasing one-time funding for MTN by \$150,000 from the Employee Computing Mobility Program budgeted in the Business Information Services Department.

The Council directed the Communications Department to request from MTN additional information about hours of original programming produced and broadcast, demographic information about contributing producers, training and utilization of studio space, and to report back to Ways & Means/Budget Committee no later than March 1, 2012.

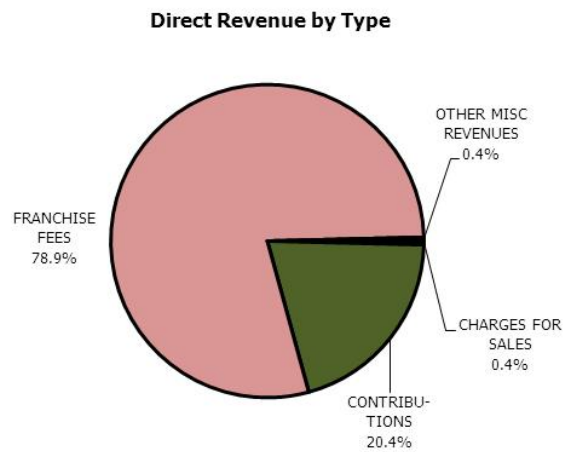
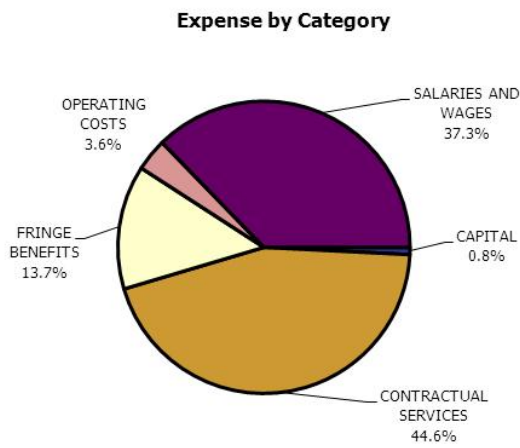
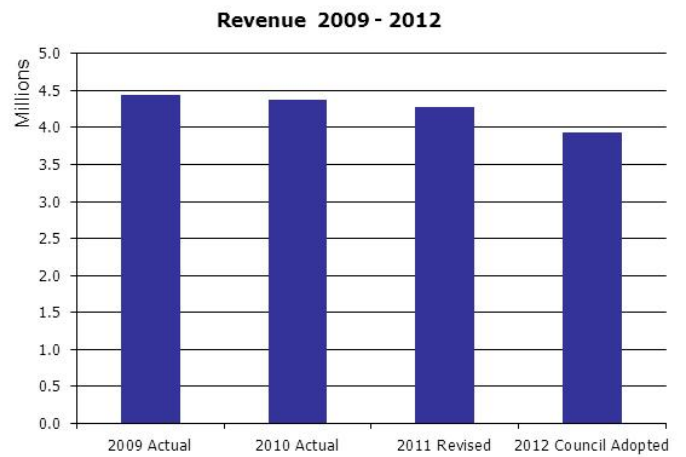
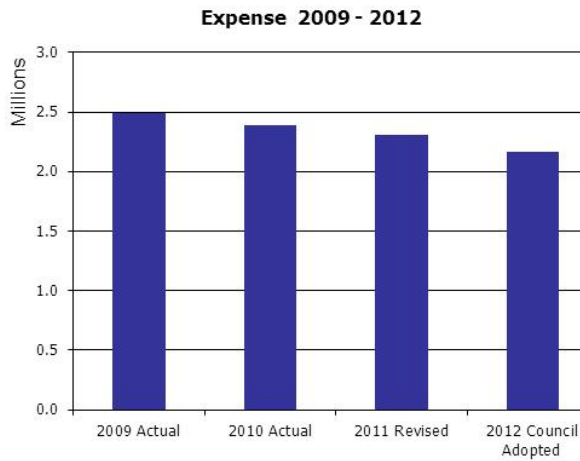
The Communications Department is further directed to complete a best practices study into other models to address public, education and government access television and report back to the Ways and Means/Budget Committee no later than June 20, 2012.

CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

### COMMUNICATIONS EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	719	7,878				0
<b>TOTAL AGENCY</b>	<b>719</b>	<b>7,878</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL	9,315	864	5,331	17,425	226.9%	12,094
CONTRACTUAL SERVICES	1,148,709	1,091,247	1,042,915	963,413	-7.6%	(79,502)
FRINGE BENEFITS	298,996	271,140	270,093	296,664	9.8%	26,571
OPERATING COSTS	109,884	147,792	113,010	77,620	-31.3%	(35,390)
SALARIES AND WAGES	917,374	871,183	871,998	805,436	-7.6%	(66,562)
<b>TOTAL GENERAL</b>	<b>2,484,279</b>	<b>2,382,226</b>	<b>2,303,347</b>	<b>2,160,558</b>	<b>-6.2%</b>	<b>(142,789)</b>
<b>TOTAL EXPENSE</b>	<b>2,484,999</b>	<b>2,390,104</b>	<b>2,303,347</b>	<b>2,160,558</b>	<b>-6.2%</b>	<b>(142,789)</b>

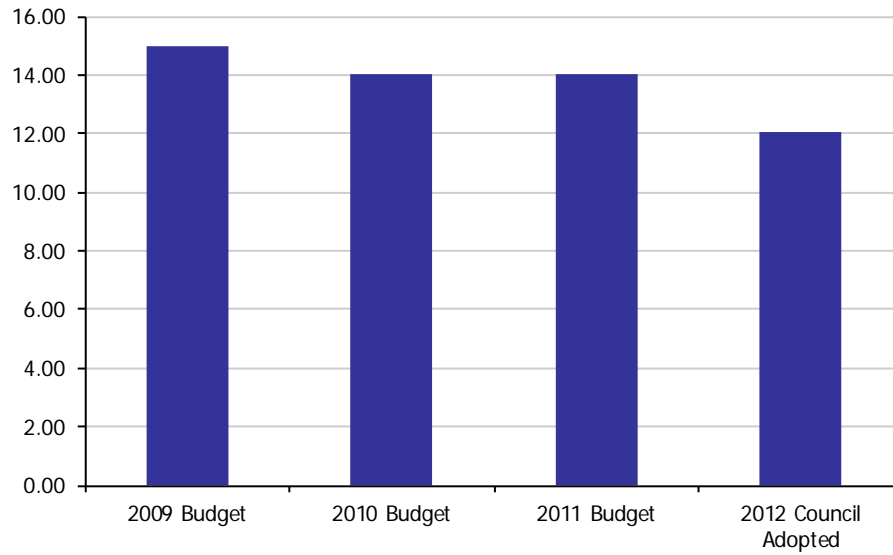
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	6,165	16,000	5,000	15,000	200.0%	10,000
CONTRIBUTIONS	461,274	487,561	450,000	800,000	77.8%	350,000
FRANCHISE FEES	3,213,725	3,156,797	3,100,000	3,100,000	0.0%	0
OTHER MISC REVENUES	19,174	10,467	15,000	15,000	0.0%	0
RENTS	32,321	4,227	10,000		-100.0%	(10,000)
<b>TOTAL GENERAL</b>	<b>3,732,658</b>	<b>3,675,053</b>	<b>3,580,000</b>	<b>3,930,000</b>	<b>9.8%</b>	<b>350,000</b>
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS	700,000	700,000	700,000		-100.0%	(700,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>		<b>-100.0%</b>	<b>(700,000)</b>
<b>TOTAL REVENUE</b>	<b>4,432,658</b>	<b>4,375,053</b>	<b>4,280,000</b>	<b>3,930,000</b>	<b>-8.2%</b>	<b>(350,000)</b>



## COMMUNICATIONS Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
COMMUNICATIONS	15.00	14.00	14.00	12.00	-14.3%	(2.00)
<b>TOTAL</b>	<b>15.00</b>	<b>14.00</b>	<b>14.00</b>	<b>12.00</b>	<b>-14.3%</b>	<b>(2.00)</b>

### Positions 2009-2012



# CONVENTION CENTER

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## MISSION

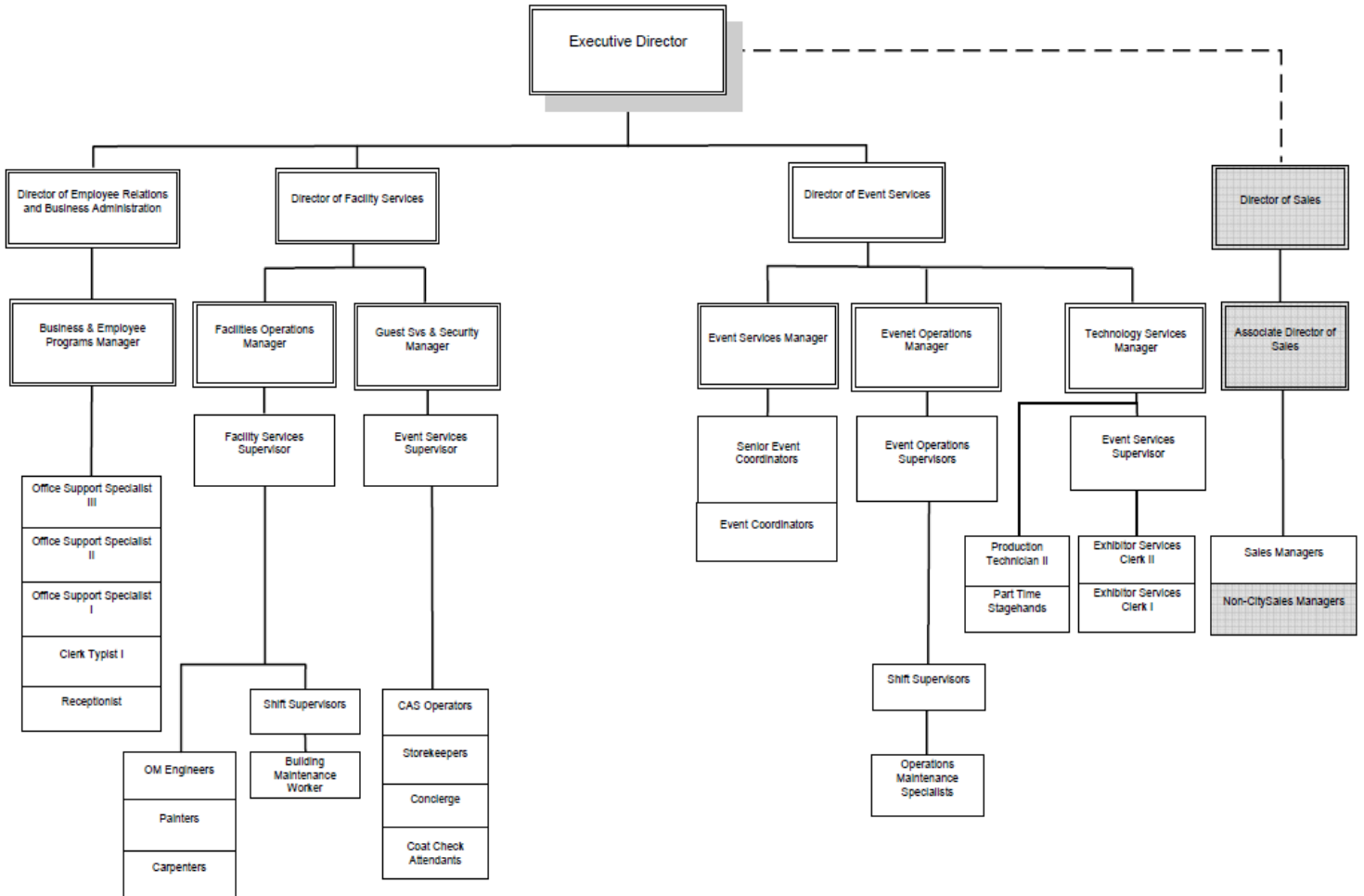
The Convention Center will be an exceptional facility, have outstanding internal and external customer service and responsibly use its resources.


## BUSINESS LINES

- **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, and Technology Services. These business units work to address the areas of production, set-up, event coordination, and other client needs.
- **Facility Services** ensures that sufficient building, safety, and capital resources are available to maintain a world-class facility for our customers. Proper maintenance, contract management, and capital planning are keys to maintaining a world-class facility. Facility Services coordinates the areas of safety and security, guest services, parking and marshaling operations, building and grounds maintenance, capital project planning and management, as well as custodial operations.
- **Sales and Marketing Services** provides the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services are provided through our partnership with Meet Minneapolis, in coordination with the Convention Center's Executive Management Team.
- **Business and Employee Services** addresses the need for depth and sophistication of the business reporting requirements for our Executive Management Team and stakeholders, as well as responds to employee relations and employee development needs. The labor force at the Convention Center must be fully developed, fully utilized, and fully recognized in order to move the Convention Center to the next level of superior customer service.

# ORGANIZATION CHART

## Minneapolis Convention Center Organizational Chart



 Denotes Meet Minneapolis Personnel

## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Jobs and Economic Vitality

#### **Convention Center Events**

Other Funds: \$21,293,296

##### *Convention Center*

The Convention Center Events program provides sales, event coordination, delivery of audio visual, utility, security, and guest services to international, national, regional, state, and local clients and their attendees. Events drive economic impact into the City as these clients and attendees purchase goods and services from local businesses contributing to a vibrant downtown.

In 2010, the events program hosted 339 events with over 661,000 attendees and almost \$13 million in revenue. Each non-local delegate spent an average of \$1,131 per visit and generated approximately \$175 million in economic impact to the City.

*Measure: Client survey ratings*

#### **Convention Center Facilities**

Other Funds: \$19,753,942

##### *Convention Center*

The Convention Center Facility program provides the physical building and grounds of the convention center as well as the maintenance and cleaning staff to maintain this City asset. The events program uses the building.

*Measure: Recycling rate*

#### **Convention Center Tallmadge Building**

Other Funds: \$225,000

##### *Convention Center*

The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses. Within the next several years, as lease contracts expire, we will implement our long-term competitive strategy to repurpose this building into a visitor center and restaurant to provide amenities and access to cultural/recreational activities to visitors. This will assist in attracting national business and economic impact to our City.

The Tallmadge Building has operated at break-even for several years. To implement our competitive long term strategy, the building will likely operate at a loss for the next several years since we anticipate difficulty in securing short-term leases.

*Measure: Completion of building repurposing*

#### **Target Center**

Other Funds: \$7,448,200

##### *Convention Center*

The Target Center program provides an operating subsidy and capital funds for this City-owned facility through a contractual agreement with its operator, AEG.

*Measure: Capital projects completed*

## FINANCIAL ANALYSIS

### EXPENDITURE

The 2012 Convention Center budget increases by 0.5% in 2012 to \$48.7 million, with the most significant changes being \$1.5 million increases in capital expenditures and \$0.5 million decreases in operating expenditures. These expenditures and revenues are inclusive of the Target Center.

### REVENUE

The department's revenue budget is projected to increase by 7.8% in 2012, driven primarily by increasing sales tax revenue, which is projected to increase 9.9% or \$5.8 million over 2011 levels.

### FUND ALLOCATION

This department is funded entirely by special revenue funds. For more information, please refer to the Convention Center and Target Center Financial Plans.

### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes.

### COUNCIL ADOPTED BUDGET

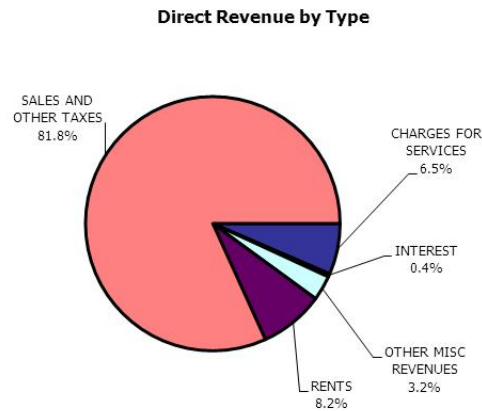
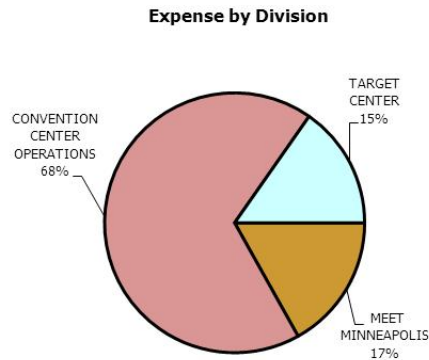
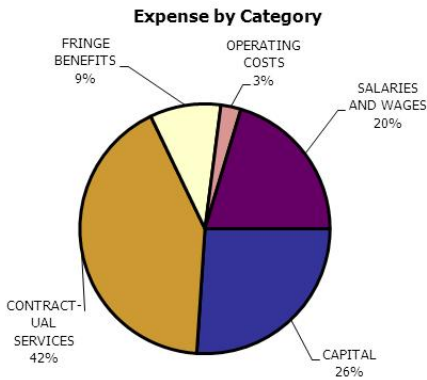
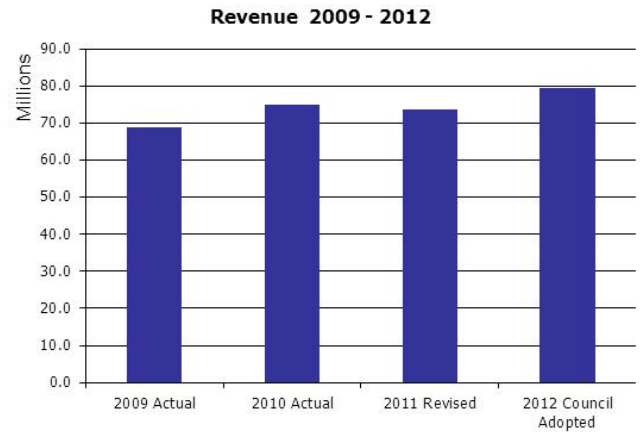
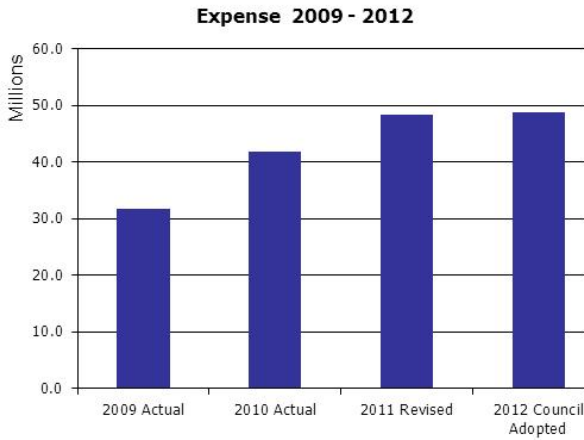
Council approved the Mayor's recommendations.

## CONVENTION CENTER EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(2,763,618)	631,697				0
<b>TOTAL AGENCY</b>	<b>(2,763,618)</b>	<b>631,697</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	2,449,811	8,025,309	11,779,119	12,692,675	7.8%	913,556
CONTRACTUAL SERVICES	18,053,595	19,067,235	21,834,057	20,369,948	-6.7%	(1,464,109)
FRINGE BENEFITS	3,584,485	3,630,580	3,929,310	4,473,782	13.9%	544,471
OPERATING COSTS	1,211,068	1,334,786	1,430,682	1,270,806	-11.2%	(159,876)
SALARIES AND WAGES	9,274,756	9,082,314	9,496,592	9,913,227	4.4%	416,635
<b>TOTAL SPECIAL REVENUE</b>	<b>34,573,715</b>	<b>41,140,223</b>	<b>48,469,761</b>	<b>48,720,438</b>	<b>0.5%</b>	<b>250,677</b>
<b>TOTAL EXPENSE</b>	<b>31,810,097</b>	<b>41,771,919</b>	<b>48,469,761</b>	<b>48,720,438</b>	<b>0.5%</b>	<b>250,677</b>



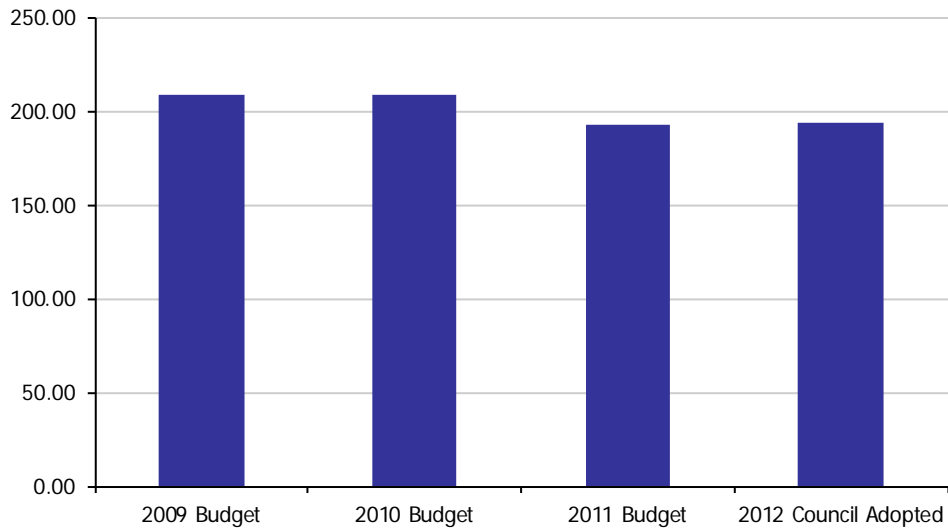
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES	4,583,253	4,499,809	5,280,000	5,140,000	-2.7%	(140,000)
CONTRIBUTIONS	75,000					0
INTEREST	435,261	402,611	359,760	314,359	-12.6%	(45,401)
OTHER MISC REVENUES	2,558,556	2,490,962	2,520,000	2,509,000	-0.4%	(11,000)
RENTS	6,410,144	6,203,352	6,400,000	6,492,000	1.4%	92,000
SALES AND OTHER TAXES	54,868,226	61,306,954	59,038,997	64,865,392	9.9%	5,826,395
<b>TOTAL SPECIAL REVENUE</b>	<b>68,930,440</b>	<b>74,903,688</b>	<b>73,598,757</b>	<b>79,320,751</b>	<b>7.8%</b>	<b>5,721,994</b>
<b>TOTAL REVENUE</b>	<b>68,930,440</b>	<b>74,903,688</b>	<b>73,598,757</b>	<b>79,320,751</b>	<b>7.8%</b>	<b>5,721,994</b>



## CONVENTION CENTER Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
CONVENTION CENTER OPERATIONS	208.18	208.18	193.00	194.10	0.6%	1.10
<b>TOTAL</b>	<b>208.18</b>	<b>208.18</b>	<b>193.00</b>	<b>194.10</b>	<b>0.6%</b>	<b>1.10</b>

### Positions 2009-2012



# FINANCE

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## MISSION

Provide essential financial services, resource and asset management, and guide decisions to ensure the City's lasting vibrancy and financial strength.

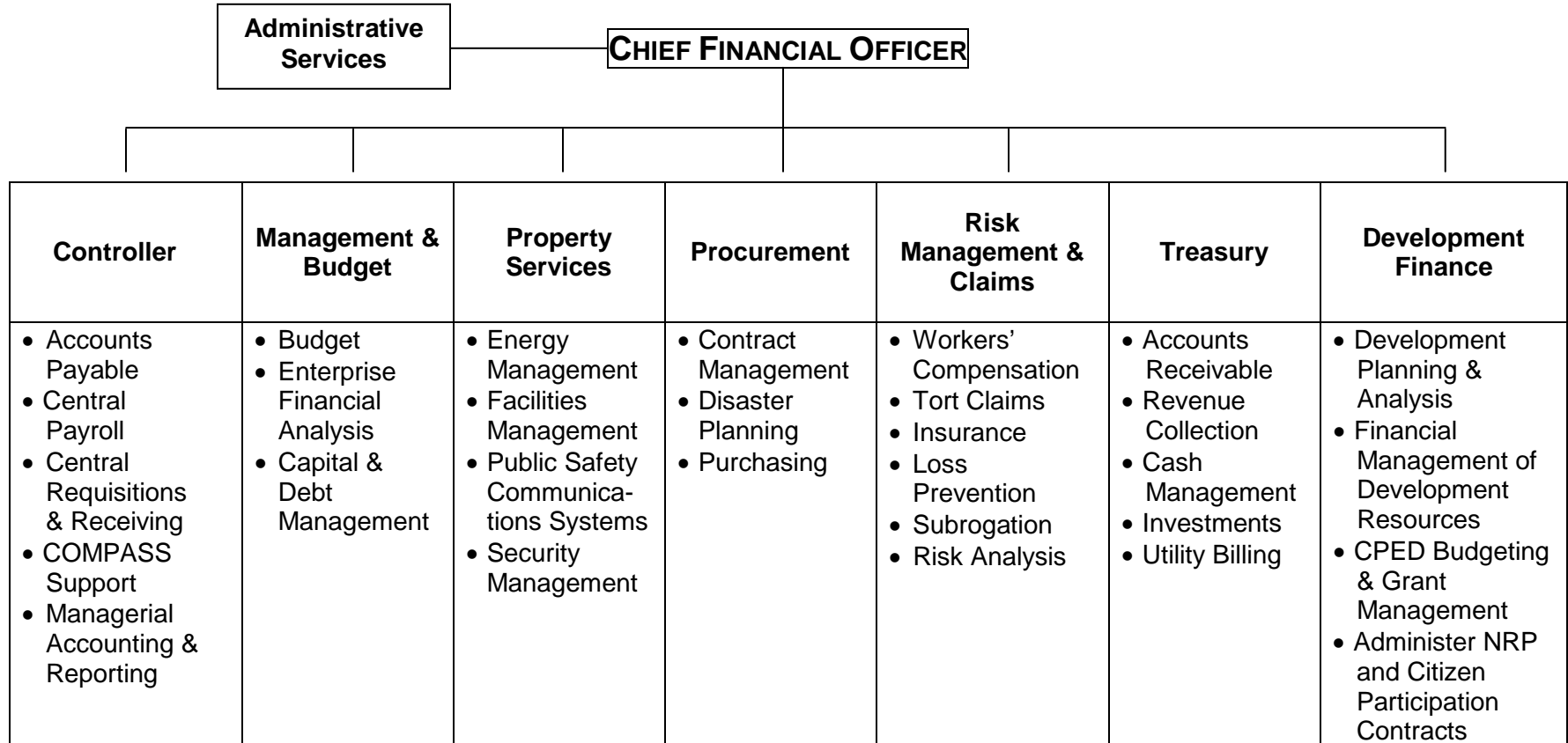
## BUSINESS LINES

- **ACCOUNTING, REPORTING AND DEPARTMENT SERVICES** – monitor and report department revenues and expenditures to managers and policy-makers; prepare City's quarterly financial report and Comprehensive Annual Financial Report (CAFR); respond to internal and external audits; design and administer rate models that allocate shared costs for internal services; assist managers during the annual budget process; and provide functional support of COMPASS; provide services to City departments that receive grants by tracking and monitoring grant-related revenues and expenses, and reporting this information to grantors so the City remains in compliance and continues to receive and preserve the authority to expend these funds; and provide financial analyses and pertinent information necessary to support City development decisions and investment intended to stimulate tax base growth, job creation/retention and the production of new housing units.
- **BUY, ORDER AND PAY FOR GOODS AND SERVICES** – facilitate the purchase of goods and services on the most favorable terms according to state law and City policies; assure contracts are consistent with good business practices and City policies; create requisitions for goods and services, issue purchase orders, document receipt of goods and services, and pay vendors.
- **CONCENTRATE CASH AND INVEST RESERVES** – invest City funds, monitor bank accounts and cash balances, and make electronic fund transfers and payments, and do citywide receivable work.
- **ENERGY MANAGEMENT** – provide enterprise-wide services that support energy conservation, renewable energy and alternate fuels, and emissions reduction, for the City's municipal operations and associated operating departments.
- **ENTERPRISE RESOURCE PLANNING SYSTEM** – this information technology system also known as COMPASS is used to provide information on the City's financial resources to include tracking of financial transactions on a daily, monthly and annual basis, maintaining historical records and details on how each employee is paid and where their time should be charged and recording contractual information, approvals for purchases, quantity, type and price of goods and services purchased, the department making the purchase, and the financial coding to which charges should be applied.
- **FACILITIES MANAGEMENT** – provide for the land, facility, and furnishing needs of the City's operating departments to support their ability to provide services to the public in an efficient and effective manner through strategic real estate planning, space and asset management and capital improvements including new facilities, real estate and leasing.
- **PAY EMPLOYEES** – pay employees according to labor agreements, state and federal laws, and City policies.

- **RADIO SHOP** – maintain and provide Public Safety Communications Systems and 800 mhz radio equipment to ensure communications capabilities during emergencies as well as day-to-day City operations.
- **RISK MANAGEMENT AND CLAIMS** – protect City assets, prevent loss of money and injury to City employees, and manage claims for workers' compensation and tort.
- **SECURITY MANAGEMENT** – develop and implement enterprise internal security plans, policies and procedures for municipal buildings, grounds, and other property, conduct security risk and vulnerability assessments, implement capital improvements/modifications to existing facilities and planned requirements for new facilities and provide safe working environments for employees, their clients and visiting members of the public.
- **STRATEGIC FINANCIAL SERVICES** – lead City annual budget and long-term financial planning process, initiate financial analyses on issues impacting the City Enterprise, and provide financial information and advice to policy-makers and City leadership.
- **UTILITY BILLING** – all activities associated with billing, payment collection and processing and call center services for City utilities (sewer, water and waste collection).

**ORGANIZATION CHART**

**DEPARTMENT ORGANIZATIONAL CHART**



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Eco-Focused

#### **Energy Management**

General Fund: \$27,095

##### *Finance*

Other Funds: \$153,701

The goal of this program is to centralize energy management and provide enterprise-wide services that support energy conservation, renewable energy and alternate fuels, and emissions reduction, for the City's municipal operations and associated operating departments.

This program is responsible for oversight of City use of major energy sources such as electricity, natural gas, district energy (steam and chilled water), managing internal conservation and education programs, managing or providing assistance on energy-related capital projects, procurement, budgeting, and accounting for energy purchases, data analysis (software application) of energy consumption, renewable energy initiatives, and emissions reduction efforts.

*Measure: Citywide carbon dioxide emissions*

### A Safe Place to Call Home

#### **Radio Shop**

General Fund: \$27,095

##### *Finance*

Other Funds: \$2,010,204

The primary purpose of this program is to maintain and provide Public Safety Communications Systems and 800 megahertz radio equipment to ensure communications capabilities during emergencies as well as day-to-day City operations.

This program is responsible for hand-held communications equipment as well as the installation and maintenance of electronic communications equipment installed in motor vehicles/equipment for Police, Fire, Public Works, Regulatory Services and Emergency Preparedness, to include in-squad video cameras, Mobile Data Computers and Laptops, Automatic Vehicle Location systems, WIFI in vehicle systems, etc. This program is the City's representative on many local, regional, state and federal communications boards and associations, ensuring that communication systems between these entities are compatible and are in compliance with the standards, rules and laws that govern each level, which is critical in emergency response situations.

*Measure: Conviction rates*

### A City that Works

#### **Accounting, Reporting and Department Services**

General Fund: \$6,521,524

##### *Finance*

Other Funds: \$284,867

Monitor and report department revenues and expenditures to the City Council, Mayor and department managers; prepare City's quarterly financial report and Comprehensive Annual Financial Report (CAFR); respond to internal and external audits; design and administer rate models that allocate shared costs for internal services; and assist managers during the annual budget process. A critical function of this program is to provide services to City departments that receive grants by tracking and monitoring grant-related revenues and

expenses, and reporting this information to grantors so the City remains in compliance and continues to receive and preserve the authority to expend these funds. Another important function is to provide financial analyses and pertinent information necessary to support City development decisions and investment intended to stimulate tax base growth, job creation/retention and the production of new housing units.

*Measure: Satisfaction rating of internally provided City services*

### **Investment, Cash Management, Receivables and Cash Receipting**

*Finance*

General Fund: \$1,367,170

Selecting, contracting, and monitoring Investment Managers responsible for investing City funds for all City Departments. Last year, a monthly average of \$476 million was invested with the goal of securing the best possible return on investment. In 2010, investment managers outperformed the industry benchmarks with investment earnings over \$5.8 million. This includes daily monitoring, analysis, and forecasting of cash flow to ensure that the City is able to meet its funding requirements for vendor payments and employee payroll. This includes monitoring the activity of fifteen (15) bank accounts and sub-accounts.

*Measure: Satisfaction rating of internally provided City services*

### **Pay Employees**

General Fund: \$1,207,574

*Finance*

Perform payroll functions according to twenty-three different City labor contract agreements and numerous work rules surrounding pay, and federal and state regulations. Proof and audit employee payroll time on a daily, weekly and bi-weekly schedule in order to ensure paychecks are produced for City Council, Mayor, City department and independent board employees on a bi-weekly basis. Manage federal and state tax withholdings and process bi-weekly (payroll) tax deposits.

Payroll also is responsible for processing the following: process Federal and state tax levies, child support orders, student loan and third party garnishments as required by law. Ensure Human Resource vendors are paid in accordance with various deductions withheld from employee paychecks. Produce yearly wage and tax statements as required by law as well as yearly wage and tax statements.

*Measure: Satisfaction rating of internally provided City services*

### **Strategic Financial Services**

General Fund: \$1,081,234

*Finance*

Perform financial analyses and planning on various issues impacting the City Enterprise (*i.e.*, pension reform, labor forecasting), provide financial information and advice to policy-makers and City leadership, support informed and strategic decision-making, and develop and administer the annual Citywide process for budget development.

*Measure: Satisfaction rating of internally provided City services*

### **Administer Utility Billing System**

General Fund: \$5,162,070

*Finance*

This program is mandated by Minneapolis City Ordinance and is a collaboration between the Finance and Public Works Department to invoice, collect revenue and provide specific utility customer account information related to the delivery of City water, sewer, solid waste

and stormwater services. The revenues generated sustain the operations of these departments, so it is imperative that revenues are billed and collected in an efficient manner. The activities included in achieving the program goals are:

- \* Collaborate with various City departments on problem resolution to ensure accurate monthly billing of water, sewer, stormwater and solid waste services.
- \* Maintain over 100,000 individual customer accounts to ensure accuracy of metering, billing and payment information.
- \* Operate billing system programs to produce and issue approximately 5,000 bills per business day.
- \* Manage the collection of approximately \$14.3 million of revenue billed each month.
- \* Issue approximately 800 delinquent payment notices per week.
- \* Prepare and manage the weekly termination and restoration of water service due to non-payment.
- \* Manage the special assessment process of approximately \$500,000 per year.
- \* Respond to an average of 390 phone calls, 52 written requests and 45 customer walk-ins per day regarding specific individual account issues.
- \* Provide functional support for customer online and telephone payment systems.
- \* Manage relationships with various vendors which include collection agencies, billing, telephone and meter reading systems.

*Measure: Resident satisfaction rating of City services*

## **Enterprise Resource Planning System**

General Fund: \$1,236,185

### *Finance*

The Enterprise Resource Planning (ERP) system is used by both Finance and Human Resources to provide services to the City Council, Mayor, City department leaders and staff, City businesses and residents, and other external stakeholders. "ERP" refers to the Human Resources Information System (HRIS) and the City's "COMPASS" financial system. Together, these two systems provide information on the City's human and financial resources. For Finance, this includes every financial transaction that takes place on a daily, monthly and annual basis. A historical record is maintained for every paycheck issued, details on how each employee is paid and where their time should be charged, contractual information, approvals for purchases, quantity, type and price of goods and services purchased, the department making the purchase, and the project or grant to which charges should be applied. The system also tracks complex financial information involving thousands of codes for assigning employee labor time and non-personnel expenditures for City departments. This program maintains existing technology support for the COMPASS system related to Finance staff (3.0 FTEs) and BIS costs for technical staff, system maintenance and support. Additional funding is requested for 1) loan repayment from initial system implementation, 2) 1.0 additional FTE in Finance to better coordinate and strategize on system operations and enhancements, 3) additional BIS support costs related to implementation of Time and Labor, and 4) optimizing use of the system through various projects to better connect and pull out data for accuracy and reporting, implement procurement cards for making purchases, establish web-based ordering and explore other ways to enable the COMPASS financial system to work better and provide users with the information they need.

*Measure: Satisfaction rating of internally provided City services*



**Order, Buy and Pay for Goods and Services**

General Fund: \$2,921,768

*Finance*

Other Funds: \$682,618

Create requisitions for goods and services, document receipt of goods and services, and pay vendors. Facilitate the purchase of goods and services on the most favorable terms according to state law and City policies, and assure contracts are consistent with good business practices and City policies.

*Measure: Satisfaction rating of internally provided City services*

**Facilities Management**

General Fund: \$27,095

*Finance*

Other Funds: \$13,686,509

The purpose of this enterprise program is to comprehensively and strategically provide for the land, facility, and furnishing needs of the City's operating departments in order for the services to be provided to the public in an efficient and effective manner. All services are to be provided with the holistic goal of managing the City's facilities in an environmentally responsible manner.

*Measure: Satisfaction rating of internally provided City services*

**Security Management**

General Fund: 27,095

*Finance*

Other Funds: \$224,244

This program is responsible for development and implementation of enterprise internal security plans, policies and procedures for municipal buildings, grounds, and other property. The program conducts security risk and vulnerability assessments, and audits in response to department security and life safety needs. This includes comprehensive capital improvements/modifications to existing facilities and planned requirements for new facilities. The goals of this program are to provide safe working environments for employees, their clients and visiting members of the public. This is accomplished by employing adequate security measures that provide for the protection of people and property.

*Measure: Satisfaction rating of internally provided City services*

**Risk Management**

General Fund: \$27,095

*Finance*

Other Funds: \$2,465,503

The goals of this program are the preservation of City assets; prevention of the loss of financial resources and injury to City employees, administration and management of workers' compensation claims and tort claims (liability claims under \$25,000), the unemployment program administration as well as loss prevention activities; which include safety, OSHA and ergonomic programs. This program is responsible for City Enterprise insurance coverage, workers' compensation and employment services medical provider relationships and contracts, the return to work program, processing required state-level payments for workers' compensation and unemployment, safety training and advice, general guidance to departments on how to reduce financial liability to the City, and meeting federal and state mandated reporting requirements for workers' compensation. This program plays a pivotal role in supporting the City in its ability to provide services to residents.

*Measure: Satisfaction rating of internally provided City services*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The total Finance Department Mayor's Recommended Budget decreases from \$41.7 million to \$39.1 million from 2011 to 2012. This is a reduction of \$2.6 million, or 6.1%. The Finance Department's 2012 budget reflects an increase in funding related to the addition of the Property Services Division, a Division which was transferred to Finance from Public Works. Funding for the Property Services Division drops from \$16.9 million to \$16.1 million from 2011 to 2012. The General Fund funding to this department increases by 2.5% or \$476,704 across all divisions to a total of \$19.6 million.

Finance will make a debt payment of \$598,000 in 2012 for costs related to MERF using cash recorded in the property disposition fund. Finance will reimburse the property disposition fund through revenue generated by increasing rents for City buildings as determined by the rent allocation model.

### **REVENUE**

Revenues are projected to decline by 4.5% in this department due to the loss of revenue generated from providing parking services in the Property Services Division. This revenue is now captured in the Ramp Maintenance Program within Public Works.

### **FUND ALLOCATION**

This department is funded primarily in the General Fund (50%) and internal service funds (49%) with the remainder of funding coming from special revenue funds.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a \$250,000 reduction from 2011 department proposals.

### **COUNCIL ADOPTED BUDGET**

The Council approved the Mayor's Recommendations and included the following directions. The Finance Department is directed to amend all schedules and final budget documents by removing references to the Growth Fund.

The Finance Department is directed to remove all funding and FTE associated with the Homegrown Minneapolis Business Development Initiative from the City's financial schedules.

Finance Staff is directed to report to the Regulatory, Energy & Environment Committee and Ways and Means by January 31, 2012 about cost recovery models in every department.

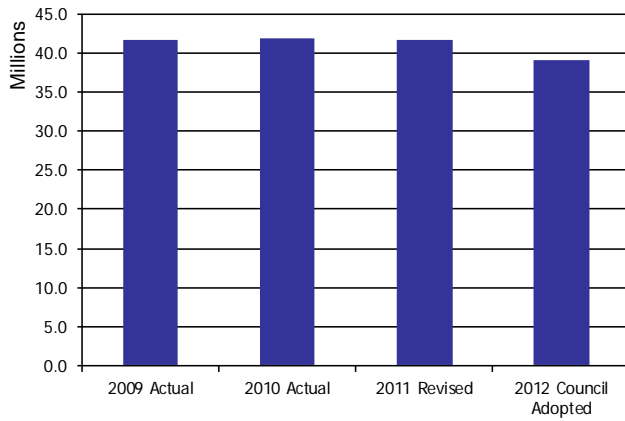
Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

## FINANCE DEPARTMENT EXPENSE AND REVENUE INFORMATION

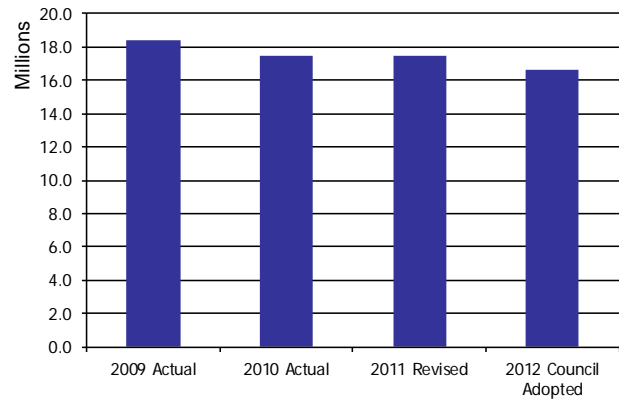
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(46,326)	3,157				0
<b>TOTAL AGENCY</b>	<b>(46,326)</b>	<b>3,157</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL	1,995	1,035	7,489	7,609	1.6%	120
CONTRACTUAL SERVICES	5,442,251	5,428,155	5,595,949	5,389,540	-3.7%	(206,409)
FRINGE BENEFITS	3,340,495	3,572,264	3,461,673	3,874,485	11.9%	412,812
OPERATING COSTS	786,368	825,896	684,580	710,658	3.8%	26,078
SALARIES AND WAGES	9,624,108	9,634,774	9,406,605	9,650,708	2.6%	244,103
<b>TOTAL GENERAL</b>	<b>19,195,217</b>	<b>19,462,123</b>	<b>19,156,296</b>	<b>19,633,000</b>	<b>2.5%</b>	<b>476,704</b>
<b>SPECIAL REVENUE</b>						
CAPITAL		9,704				0
CONTRACTUAL SERVICES	54,967	1,555,564	2,217,366	5,823	-99.7%	(2,211,543)
FRINGE BENEFITS	60,878	113,534	73,842	75,386	2.1%	1,544
OPERATING COSTS	779	50,155				0
SALARIES AND WAGES	246,081	338,690	207,954	207,521	-0.2%	(434)
<b>TOTAL SPECIAL REVENUE</b>	<b>362,705</b>	<b>2,067,646</b>	<b>2,499,162</b>	<b>288,730</b>	<b>-88.4%</b>	<b>(2,210,432)</b>
<b>INTERNAL SERVICE</b>						
CAPITAL	12,599		62,641	63,644	1.6%	1,003
CONTRACTUAL SERVICES	11,360,854	10,743,002	11,451,024	10,550,933	-7.9%	(900,091)
FRINGE BENEFITS	2,510,908	2,418,833	2,217,900	2,206,958	-0.5%	(10,942)
OPERATING COSTS	3,246,819	2,259,336	1,696,756	1,651,352	-2.7%	(45,404)
SALARIES AND WAGES	4,937,342	4,879,592	4,608,285	4,746,029	3.0%	137,744
<b>TOTAL INTERNAL SERVICE</b>	<b>22,068,522</b>	<b>20,300,763</b>	<b>20,036,606</b>	<b>19,218,916</b>	<b>-4.1%</b>	<b>(817,691)</b>
<b>TOTAL EXPENSE</b>	<b>41,580,119</b>	<b>41,833,689</b>	<b>41,692,065</b>	<b>39,140,646</b>	<b>-6.1%</b>	<b>(2,551,419)</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
INTEREST	(10,649)	(31,875)				0
<b>TOTAL AGENCY</b>	<b>(10,649)</b>	<b>(31,875)</b>				<b>0</b>
<b>GENERAL</b>						
CHARGES FOR SERVICES	300		1,500		-100.0%	(1,500)
LOCAL GOVERNMENT	6,012		5,000		-100.0%	(5,000)
OTHER MISC REVENUES	(756)	12,299	52,108		-100.0%	(52,108)
<b>TOTAL GENERAL</b>	<b>5,556</b>	<b>12,299</b>	<b>58,608</b>		<b>-100.0%</b>	<b>(58,608)</b>
<b>SPECIAL REVENUE</b>						
FEDERAL GOVERNMENT		12,386				0
LOCAL GOVERNMENT		1,250,000				0
<b>TOTAL SPECIAL REVENUE</b>		<b>1,262,386</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	329,638	284,866	355,000	355,000	0.0%	0
CHARGES FOR SERVICES	5,254,815	3,365,253	3,443,283	2,965,600	-13.9%	(477,683)
FEDERAL GOVERNMENT	106,220					0
OTHER MISC REVENUES	89,652	142,321	60,970	3,000	-95.1%	(57,970)
RENTS	12,670,361	12,427,824	13,547,884	13,351,440	-1.4%	(196,444)
<b>TOTAL INTERNAL SERVICE</b>	<b>18,450,685</b>	<b>16,220,264</b>	<b>17,407,137</b>	<b>16,675,040</b>	<b>-4.2%</b>	<b>(732,097)</b>
<b>TOTAL REVENUE</b>	<b>18,445,593</b>	<b>17,463,074</b>	<b>17,465,745</b>	<b>16,675,040</b>	<b>-4.5%</b>	<b>(790,705)</b>

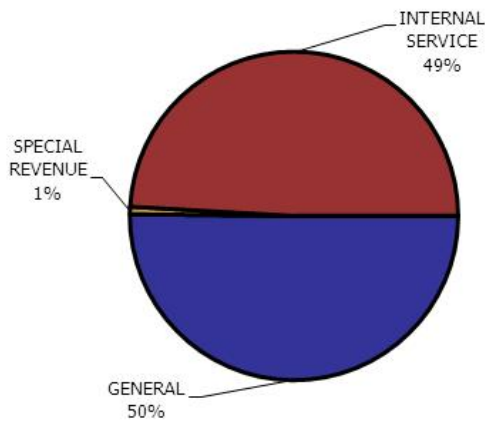
**Expense 2009 - 2012**



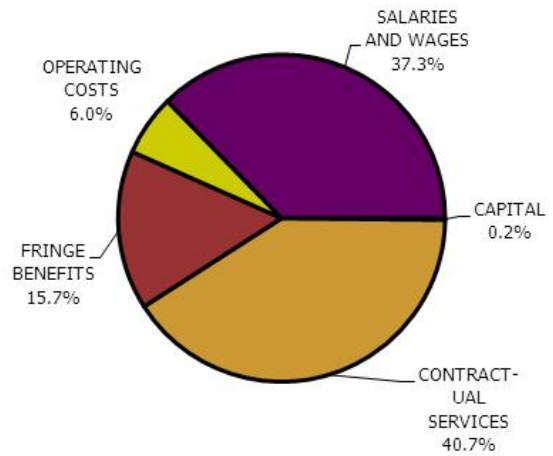
**Revenue 2009 - 2012**



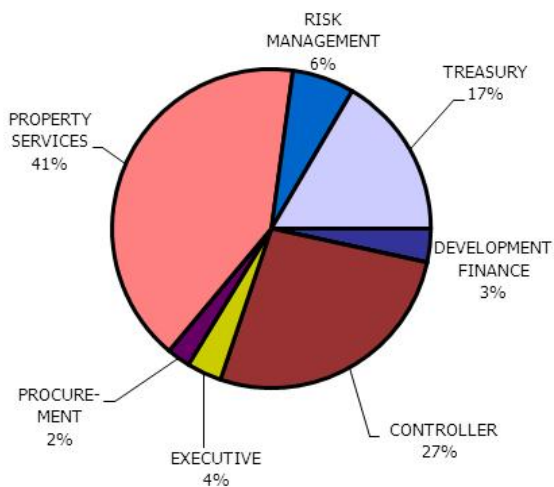
**Expense by Fund**



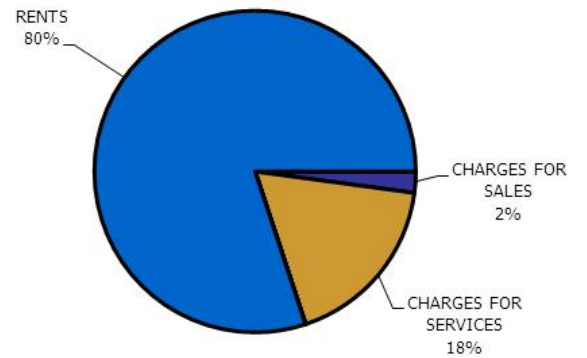
**Expense by Category**



**Expense by Division**



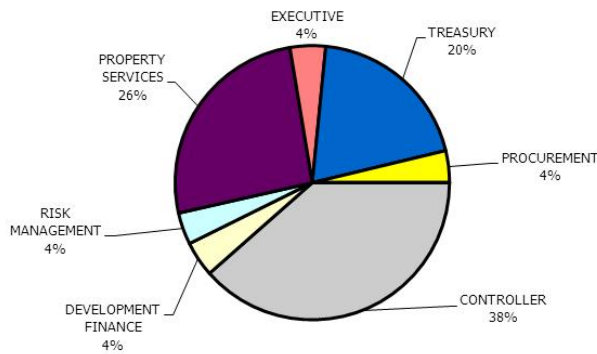
**Direct Revenue by Type**



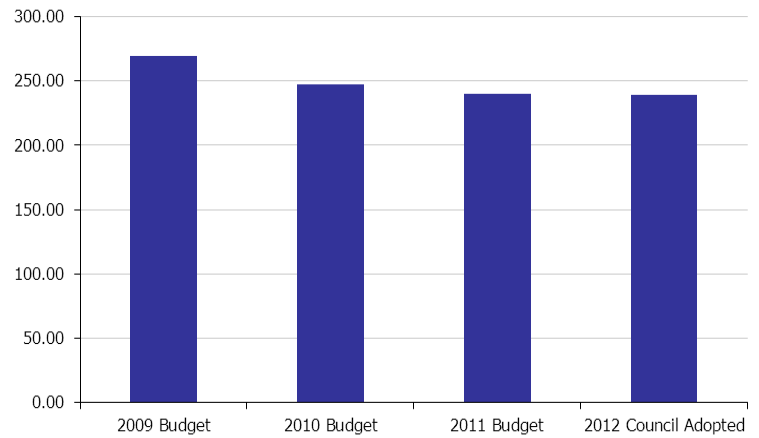
## FINANCE DEPARTMENT Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
PROPERTY SERVICES	77.00	63.00	62.00	62.00	0.0%	
DEVELOPMENT FINANCE	12.00	8.00	10.00	10.00	0.0%	
EXECUTIVE	10.00	10.00	10.00	10.00	0.0%	
TREASURY	53.00	51.00	50.00	47.00	-6.0%	(3.00)
RISK MANAGEMENT	9.00	8.00	9.00	9.00	0.0%	
CONTROLLER	99.00	93.00	90.00	92.00	2.2%	2.00
FINANCE		5.00				
PROCUREMENT	9.00	9.00	9.00	9.00	0.0%	
<b>TOTAL</b>	<b>269.00</b>	<b>247.00</b>	<b>240.00</b>	<b>239.00</b>	<b>-0.4%</b>	<b>(1.00)</b>

**Positions by Division**



**Positions 2009-2012**



# HUMAN RESOURCES

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## MISSION

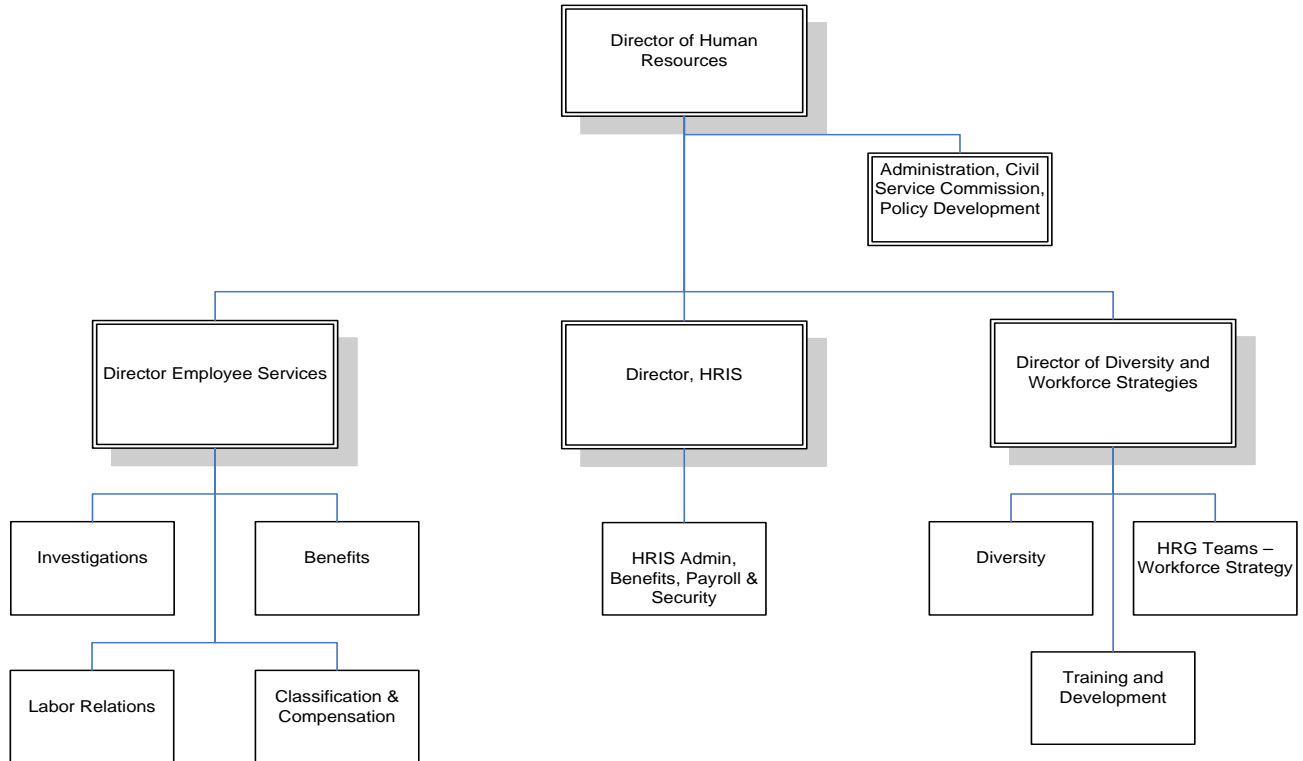
The mission of the Human Resources (HR) Department is to strategically partner with departments to implement a comprehensive, competency-based talent management strategy so that the City of Minneapolis is able to hire, develop and retain an excellent workforce that contributes to the achievement of City Goals through the delivery of high quality, cost-effective services.

## BUSINESS LINES

The HR Department has three primary business lines – Employee Services, Employment, Development and Diversity, and Administration & HRIS. Because the work of the department involves more than just one business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that the department can accomplish City goals and eliminate the existence of ‘silo-mentality’ across our department.

- **Administration and HRIS:** Key activities include: administration of the department to include policy development and implementation, business planning and strategic direction, and Civil Service Commission oversight. Also important are services provided by the HRIS Team, which include: enterprise employment information management, managing and providing information to the City, Independent Boards and Agencies for decision making purposes and supporting Enterprise Learning Management (ELM) and Enterprise Resource Planning (ERP) related efforts and initiatives.
- **Employment, Development and Diversity:** Designs and implements enterprise-focused diversity initiatives to include: developing and implementing an Affirmative Action Plan, targeted recruitment efforts, and strategic direction for workforce strategies. Also important are the services provided by the HR Generalist teams, which include: customer-focused strategic and operational advice, staffing, and performance management consultation. This business line also provides learning opportunities for managers, supervisors and employees to maximize their development and to minimize organizational risk.
- **Employee Services:** Provides strategic and operational leadership for all of the City's collective bargaining. In addition, the key activities essential to this business line are: contract administration, compensation administration, classification administration, complaint investigation, and designing, negotiating and implementing employee healthcare and wellness programs.

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A City that Works

#### **Administration**

General Fund: \$674,147

#### *Human Resources*

Under the City Coordinator and the Civil Service Commission, the Director of Human Resources (Administration) directs the HR Department which includes creating strategic direction, policy development, program management, recruitment, testing and selection, job classification, labor relations, employee benefits administration, HRIS, diversity and inclusion, training and development, compensation administration and affirmative action.

*Measure: Satisfaction rating of internally provided City services*



**Classification**

General Fund: \$139,537

*Human Resources*

Ensures the City classification system remains relevant and responsive to the changing nature of work; evaluates existing and proposed jobs to ensure the proper assignment of value for job-related contributions; maintains specifications for all jobs; determines minimum requirements, qualifications and grade levels for all job classifications; helps assure City compliance with State pay equity requirements.

*Measure: Employee engagement score*

**Compensation**

General Fund: \$139,537

*Human Resources*

Provides salary analysis and administration; determines costs of labor agreements; investigates and assigns appropriate salaries to job classifications; assures City compliance with State pay equity requirements.

*Measure: Employee engagement score*

**Human Resources Technology Solutions (HRTS)**

General Fund: \$680,800

*Human Resources*

Other Funds: \$357,901

Responsible for City wide HR technology solutions. Areas of support include: 1) HR Technology 2) HR System Selection/ Implementation/Strategy 3) Management Reporting 4) Self-Service 5) Payroll/Time & Labor 6) Benefit Maintenance 7) Position Management 8) Employment Records 9) Application Security 10) HR System Training

*Measure: Satisfaction rating of internally provided City services*

**Labor Relations**

General Fund: \$492,908

*Human Resources*

Other Funds: \$9,281

Provides strategic and operational leadership for the negotiation of all terms and conditions of employment, including benefits, with the City's 23 bargaining units; provides City departments with contract negotiations, interpretation, administration, grievance resolution and other labor-management initiatives and collaboration efforts.

*Measure: Employee performance excellence score*

**Management Consulting (HR Generalist Teams)**

General Fund: \$2,078,509

*Human Resources*

The Management Consultant program is made up of seven HR Generalist teams that implement Human Resource initiatives throughout the organization and work closely with department managers to strategize solutions to human resource issues while ensuring consistent application of human resource policies and practices across all HR functions.

This program provides consulting services that include; conflict resolution, disability accommodation, employee engagement, workforce planning, counseling, organizational and employee development, diversity, performance management, benefits, employee relations, staffing management, disciplinary issues, effective practices, Federal, State and Local laws, mediation, etc.

*Measure: Satisfaction rating of internally provided City services*

**Recruiting Services**

General Fund: \$695,329

*Human Resources*

This quality service of Human Resources is a mandate and necessary to administer open and competitive recruitment for attracting and assessing competencies to hire a workforce of exceptionally well qualified, motivated, and diverse individuals to work and represent the City of Minneapolis.

*Measure: Employee performance excellence score*

**Robust Diversity and Inclusion Management**

General Fund: \$293,987

*Human Resources*

Other Funds: \$45,115

Any organization that wants to be successful in today's world must recognize and use diversity to its advantage. Diversity and Inclusion must be an integral part of the City's fabric-from business planning, and results reporting processes to full alignment with the achievement of the City's specific vision, values, goals, and business needs. It is important to employees, residents, customers, suppliers and other stakeholders alike. This function develops, and oversees the implementation of a strategic Diversity and Inclusion Initiative. An initiative with enterprise-focus for increasing the City's capacity to attract, hire, leverage and retain employees who represent all the communities we serve, requires dedicated resources capable of:

- Recruiting a highly qualified, and diverse workforce
- Hiring the best qualified and most suitable candidate available
- Developing a workforce that have the right skills and competencies to meet the City's business needs
- Retaining a dedicated workforce that is fully engaged, committed, and recognized to give their best effort
- Sustaining a work environment where diversity and inclusion are incorporated into decision making and business operations in order to leverage the best of each employee

*Measure: Satisfaction rating of internally provided City services*

**Training & Development**  
*Human Resources*

General Fund: \$315,019  
Other Funds: \$215,490

The City's Training and Development unit (T&D) provides learning and development opportunities and resources to all employees that develop the skills needed to maximize performance, meet department and City goals, and carry out the diverse roles of serving the public in Minneapolis. Services include consultancy, organizational development, customized programs for requesting departments, train the trainer development, facilitation, process improvement recommendations (BPI) and program delivery of enterprise priorities including new employee orientation, project management, technical and interpersonal skill building, customer service, team building, required policy training, supervisor, manager and leadership development. Using Organizational Design (OD) principles, T&D examines a) process, b) people and c) systems in their analysis in order to provide comprehensive and sustainable solutions. This enterprise-approach entails collaborating with functional units such as, Finance, the Office of Management and Budget, Performance Measurement (*Results Minneapolis* measures and business planning), and Business Process Improvement (BPI), in order to incorporate these in provided solutions that will best serve efficiency, value for money and the attainment of City goals. By partnering with these units, T&D can work to train essential skills throughout the organization, so that change can be sustained and align the organization for the achievement of future goals and directions.

*Measure: Satisfaction rating of internally provided City services*

**Benefits and Wellness**  
*Human Resources*

Other Funds: \$788,458

Responsible for developing, designing and administering benefits and wellness programs that appropriately balance benefit value and cost, address the needs of employees and taxpayers and promote employee health and productivity.

*Measure: Employee engagement score*

**Complaint Investigation**  
*Human Resources*

Other Funds: \$213,550

Investigates complaints of harassment, discrimination and retaliation in the workplace to avoid costly litigation and judgments and to comply with Federal and State regulations.

*Measure: Satisfaction rating of internally provided City services*

## FINANCIAL ANALYSIS

### EXPENDITURE

The department received a \$140,426 reduction from 2011 levels in its 2012 General Fund appropriation, down 2.5% to \$5.5 million. Overall funding decreases by 2.0% to \$7.1 million due to the cut in the department's training and development program.

### REVENUE

The department has budgeted a 4.2% decrease in projected revenues related to declining revenues from the benefits administration fee that is charged to customer departments through the Self Insurance Fund rate model. The Self Insurance Fund is the only source of revenue for the Human Resources Department.

### FUND ALLOCATION

This department is primarily funded in the General Fund (77%) and by internal service funds (23%).

### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a 50% cut to the department's training and development program with all other programs funded at the current level.

### COUNCIL ADOPTED BUDGET

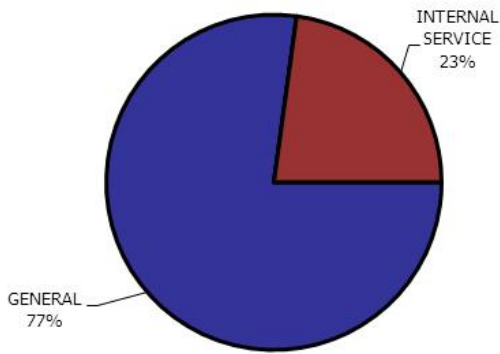
The Council adopted the Mayor's recommendations for this department and amended the 2012 operating budget for Human Resources programs to allocate \$119,253 in previously unallocated dollars to specific programs as follows: Administration \$8,687; Classification \$2,240; Compensation \$2,240; HRTS \$28,223; Labor Relations \$7,674; Management \$38,296; Recruiting \$22,312; Diversity \$7,250; and Training \$2,331.

## HUMAN RESOURCES EXPENSE AND REVENUE INFORMATION

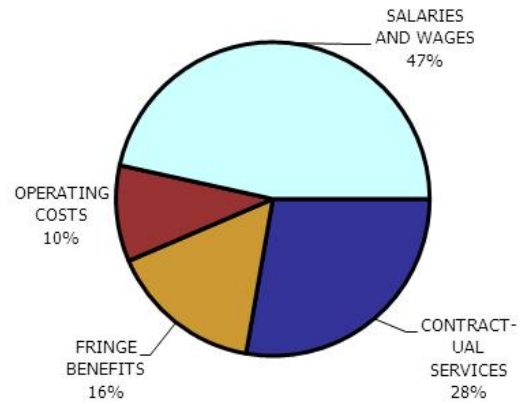
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES	1,951,260	1,688,970	1,429,671	1,360,512	-4.8%	(69,159)
FRINGE BENEFITS	856,089	854,638	848,887	884,012	4.1%	35,125
OPERATING COSTS	466,409	474,287	595,337	616,097	3.5%	20,760
SALARIES AND WAGES	2,916,523	2,787,109	2,776,303	2,649,150	-4.6%	(127,153)
<b>TOTAL GENERAL</b>	<b>6,190,281</b>	<b>5,805,003</b>	<b>5,650,198</b>	<b>5,509,772</b>	<b>-2.5%</b>	<b>(140,426)</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	18,534	28,778				0
FRINGE BENEFITS		6,712				0
SALARIES AND WAGES		22,500				0
<b>TOTAL SPECIAL REVENUE</b>	<b>18,534</b>	<b>57,990</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
CONTRACTUAL SERVICES	544,626	616,649	676,035	619,288	-8.4%	(56,747)
FRINGE BENEFITS	186,014	196,689	201,057	244,811	21.8%	43,754
OPERATING COSTS	29,756	44,690	135,514	91,891	-32.2%	(43,623)
SALARIES AND WAGES	526,377	589,316	623,772	673,805	8.0%	50,033
<b>TOTAL INTERNAL SERVICE</b>	<b>1,286,773</b>	<b>1,447,344</b>	<b>1,636,378</b>	<b>1,629,795</b>	<b>-0.4%</b>	<b>(6,583)</b>
<b>TOTAL EXPENSE</b>	<b>7,495,587</b>	<b>7,310,338</b>	<b>7,286,576</b>	<b>7,139,567</b>	<b>-2.0%</b>	<b>(147,010)</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
OTHER MISC REVENUES	522	80				0
<b>TOTAL GENERAL</b>	<b>522</b>	<b>80</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
OTHER MISC REVENUES	18,533	57,991				0
<b>TOTAL SPECIAL REVENUE</b>	<b>18,533</b>	<b>57,991</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SERVICES	1,219,595	1,356,387	1,437,199	1,377,379	-4.2%	(59,820)
OTHER MISC REVENUES	150					0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,219,745</b>	<b>1,356,387</b>	<b>1,437,199</b>	<b>1,377,379</b>	<b>-4.2%</b>	<b>(59,820)</b>
<b>TOTAL REVENUE</b>	<b>1,238,800</b>	<b>1,414,458</b>	<b>1,437,199</b>	<b>1,377,379</b>	<b>-4.2%</b>	<b>(59,820)</b>

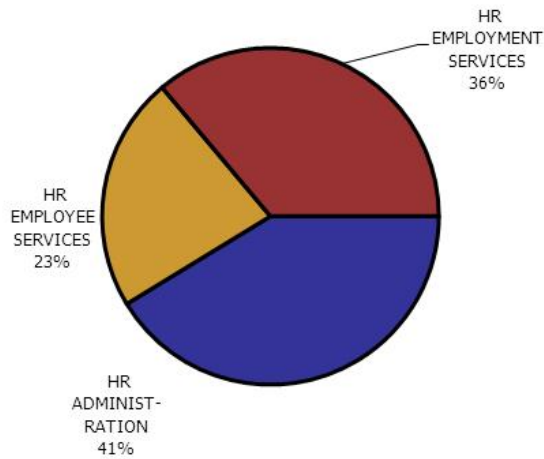
**Expense by Fund**

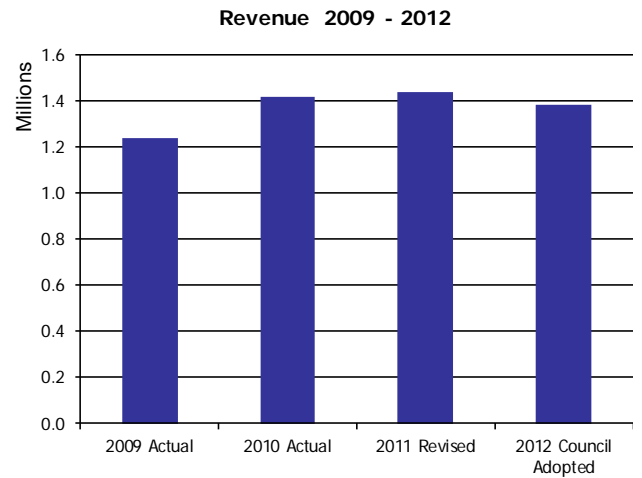
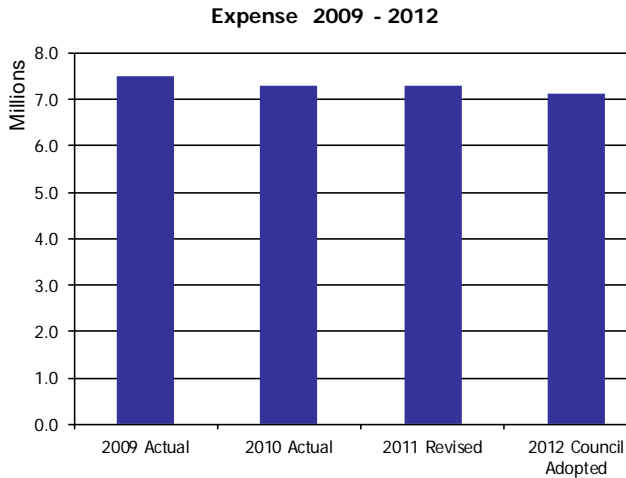


**Expense by Category**



**Expense by Division**

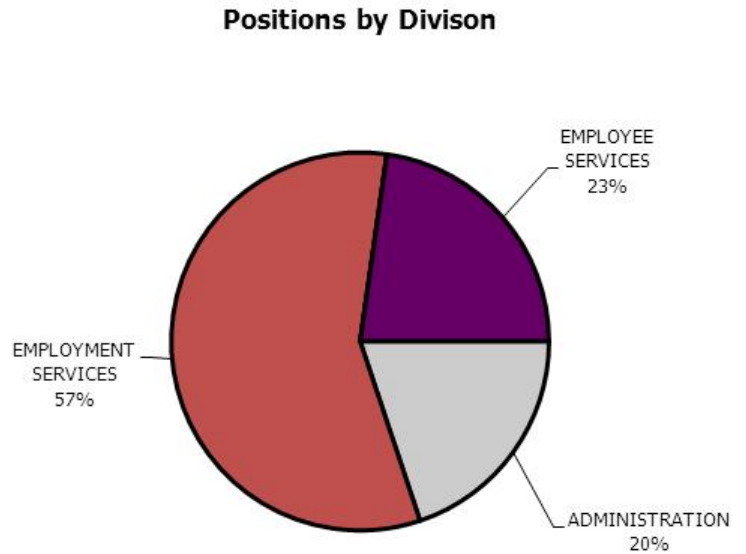
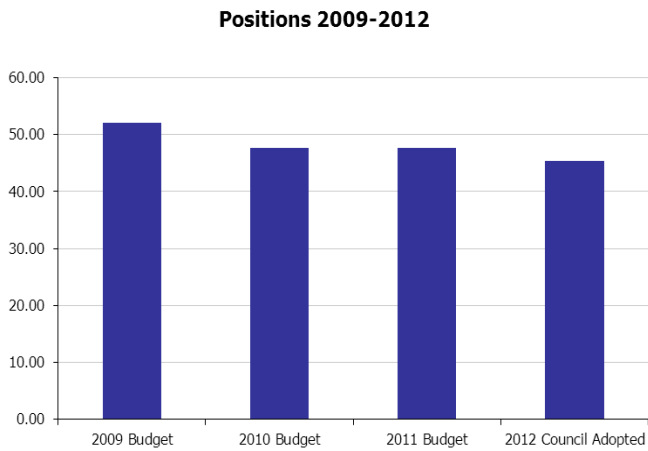




## HUMAN RESOURCES

### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
HR EMPLOYEE SERVICES	11.95	10.00	10.00	10.30	3.0%	0.30
HR ADMINISTRATION	10.05	9.00	9.00	9.00	0.0%	
HR EMPLOYMENT SERVICES	30.00	28.60	28.60	26.00	-9.1%	(2.60)
<b>TOTAL</b>	<b>52.00</b>	<b>47.60</b>	<b>47.60</b>	<b>45.30</b>	<b>-4.8%</b>	<b>(2.30)</b>



# INTERGOVERNMENTAL RELATIONS

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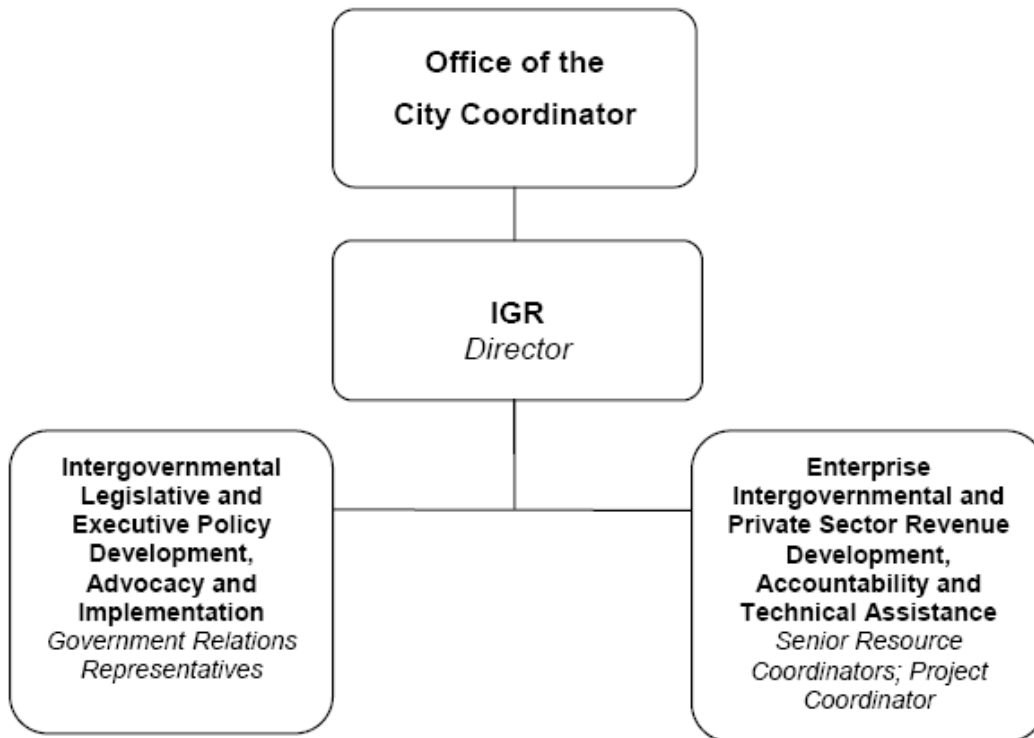
## MISSION

To effectively represent the City of Minneapolis with integrity and dedication to its partners at multiple levels of governance- federal, state, regional, and local in order to achieve legislative and program success.

## BUSINESS LINES

- Advocate policies both legislative and administrative on behalf of the city at the regional, state and federal government level.
- Provide guidance and staffing in managing regional, state and federal grants.
- Staffing and assistance for projects of enterprise importance.

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A City that Works

#### **Government Relations-Federal**

General Fund: \$197,213

##### *Intergovernmental Relations*

Advocate policies both legislative and administrative on behalf of the city to the federal government and its agencies. This work is performed through staffing and contracted services. Business Plan objectives related to this program consist of finding federal funding opportunities that meet city priorities including the drafting and application of materials for federal appropriation legislative language; and drafting for City Council approval an annual federal legislative agenda and working with members of Congress and their staffs to communicate agenda and liaison with non-governmental organizations, and public and private agencies to achieve the agenda.

*Measure: Satisfaction rating of internally provided City services*

#### **Consolidated Plan/Federal and State Grant Management**

General Fund: \$287,856

##### *Intergovernmental Relations*

Other Funds: \$1,331,397

Consolidated Plan/Federal and State Grant Management General Fund is the general fund support for the IGR-Grants Office grant management responsibilities. General funds in this program pays for the overhead city contractual and operating costs that cannot be captured through federal entitlement grant administration allowances and approximately 0.8 FTE in the office due to absorption of federal entitlement grant reductions. The department has the city enterprise responsibility of managing the City's federal Housing and Urban Development Consolidated Plan grants as well as the City's Recovery Act grants issued by the same HUD Office- Community Planning and Development. This work further extends to staffing a centralized City grants management oversight consisting of assessing grant needs and capacity of city departments, assisting in finding federal and state grant opportunities that meet city and departmental objectives and providing technical assistance to departments on grant seeking and management concerns.

The 2010 grant funding level for the city is 43% higher than in 2007. It is anticipated that grant support for city department functioning will be an increasing scarce resource from federal and state levels of government and will require effective and prudent management resources and assistance. Management of the HUD Community Planning and Development (CPD) grants in housing and community development involves planning and development of an annual HUD Consolidated Plan and Report to the City Council and general public, providing oversight and direct responsibility for ensuring that compliance requirements are met, and managing grant agreement and subrecipient agreement requirements of the HUD CPD grants. This program also manages the City's reporting responsibilities for federal Recovery Act funding received by city departments.

*Measure: Satisfaction rating of internally provided City services*



## **Enterprise Support-Partnerships**

General Fund: \$242,502

### *Intergovernmental Relations*

The Enterprise Support-Partnerships program is new to the IGR department in terms of dedicating past business practices supporting several city enterprise projects utilizing the department staff expertise in lobbying and international relations into a singularly focused emphasis on this work. Recent examples of this department's work include the planning of the Downtown Improvement District and the coordination of City Sister City exchange relationships. This program can include working with state, regional and sub-regional organizations in developing governance policies that impact the city. An example of this is developing guidelines for managing the Sister City program. The program will also provide assistance to growing and enhancing the elected and staff leadership relationship with the Metropolitan Council. The program can staff the development, advocacy and implementation of enterprise projects. This program also consists of memberships in affinity groups providing generalized research assistance in support of the government relations program proposals.

*Measure: Satisfaction rating of internally provided City services*

## **Government Relations-State**

General Fund: \$677,139

### *Intergovernmental Relations*

Advocate policies both legislative and administrative on behalf of the city to the state legislature and executive branch and their agencies. These actions are reflected in appropriations and governmental aids made available to the city, statutory policy language and administrative rule-making impacting those who work, live and recreate in the city. This work is performed through staffing and contracted services. Business plan objectives related to this program consist of preserving local government funding aids; drafting and application of materials for state bonding requests; drafting for City Council approval an annual state legislative agenda and working with state legislators and Governor's office and their staffs to communicate legislative agenda and liaison with non-governmental organizations, and public and private agencies to achieve the agenda.

*Measure: Satisfaction rating of internally provided City services*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

This department will receive a decrease in General Fund funding by \$12,371, or 0.9% from the 2011 level related to the reduction of 1 FTE, with an overall expenditure budget increase of 2.5% to \$2.7 million for 2012, primarily due to increasing CDBG funding.

### **REVENUE**

This department does not generate revenue.

### **FUND ALLOCATION**

This department is funded by the General Fund (51%) and special revenue funds, primarily CDBG (49%).

**MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended an additional \$50,000 to cover the costs of airport consulting services while reducing 1 FTE.

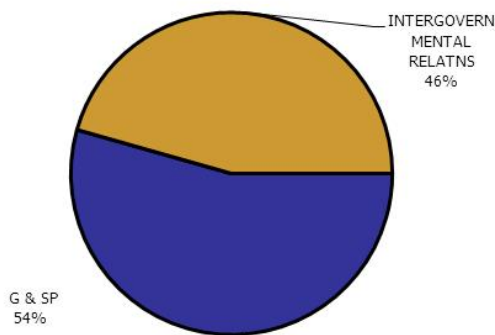
**COUNCIL ADOPTED BUDGET**

Council approved the Mayor's recommendations.

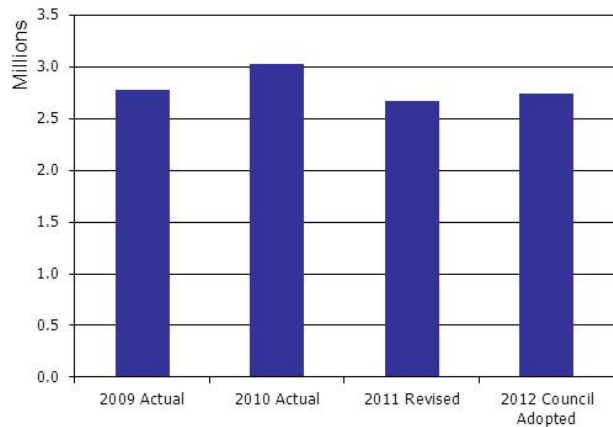
**INTERGOVERNMENTAL RELATIONS  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CAPITAL			5,031	5,110	1.6%	79
CONTRACTUAL SERVICES	567,906	406,023	468,312	527,146	12.6%	58,834
FRINGE BENEFITS	113,569	112,527	118,874	130,932	10.1%	12,058
OPERATING COSTS	344,203	317,821	378,765	331,854	-12.4%	(46,911)
SALARIES AND WAGES	427,047	408,010	446,100	409,670	-8.2%	(36,431)
<b>TOTAL GENERAL</b>	<b>1,452,725</b>	<b>1,244,380</b>	<b>1,417,082</b>	<b>1,404,712</b>	<b>-0.9%</b>	<b>(12,371)</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	1,033,892	1,534,952	981,213	1,091,994	11.3%	110,781
FRINGE BENEFITS	59,410	57,030	70,639	61,780	-12.5%	(8,859)
OPERATING COSTS		1,330				
SALARIES AND WAGES	236,353	189,984	199,518	177,623	-11.0%	(21,896)
<b>TOTAL SPECIAL REVENUE</b>	<b>1,327,301</b>	<b>1,783,296</b>	<b>1,251,370</b>	<b>1,331,397</b>	<b>6.4%</b>	<b>80,026</b>
<b>TOTAL EXPENSE</b>	<b>2,780,026</b>	<b>3,027,676</b>	<b>2,668,453</b>	<b>2,736,108</b>	<b>2.5%</b>	<b>67,656</b>

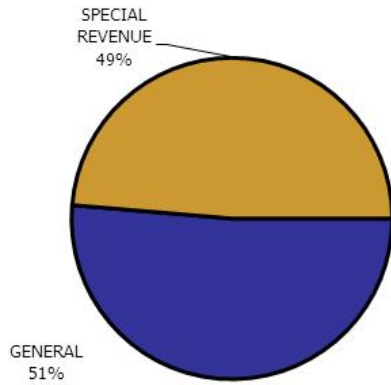
**Expense by Division**



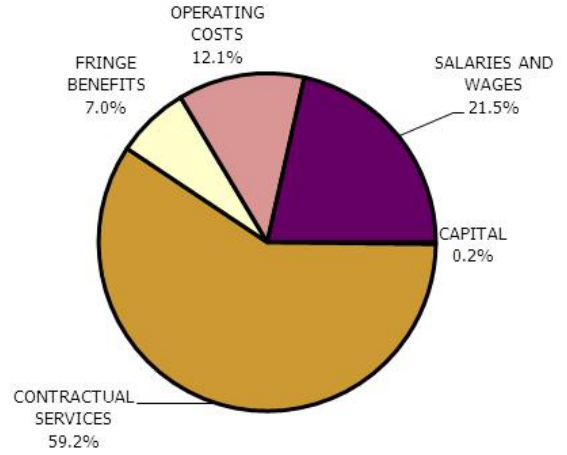
**Expense 2009 - 2012**



**Expense by Fund**



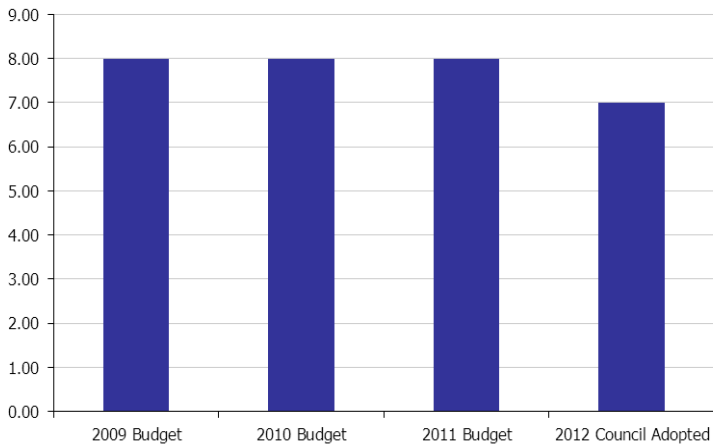
**Expense by Category**



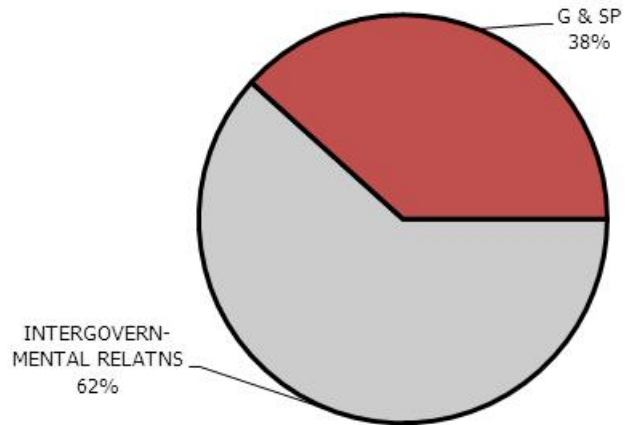
**INTERGOVERNMENTAL RELATIONS  
Staffing Information**

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
G & SP	3.50	3.50	3.50	2.68	-23.3%	(0.82)
INTERGOVERNMENTAL RELATNS	4.50	4.50	4.50	4.32	-4.1%	(0.18)
<b>TOTAL</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>7.00</b>	<b>-12.5%</b>	<b>(1.00)</b>

**Positions 2009-2012**



**Positions by Division**



# NEIGHBORHOOD AND COMMUNITY RELATIONS

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## MISSION

To strengthen our city's quality of life through vigorous community participation, resident involvement in neighborhood and community organizations, and supporting clearly defined links between the City, City services, neighborhood and community organizations.

## BUSINESS LINES

- Neighborhood Engagement

The department will focus on nurturing neighborhood engagement through neighborhood-based priority setting, planning and implementation; and the integration of this work with the work of the City of Minneapolis.

- Access and Outreach Engagement

The department will build connections with communities where cultural norms or practices, language or disabilities limit knowledge and access to government. The department will lead an enterprise-wide initiative to remove barriers to participation and meaningful engagement. The department will provide translation and interpretation services to city departments and will be a resource for Americans with Disabilities Title II requirements, Limited English Proficiency compliance, and will provide guidance for successful interactions with cultural communities.

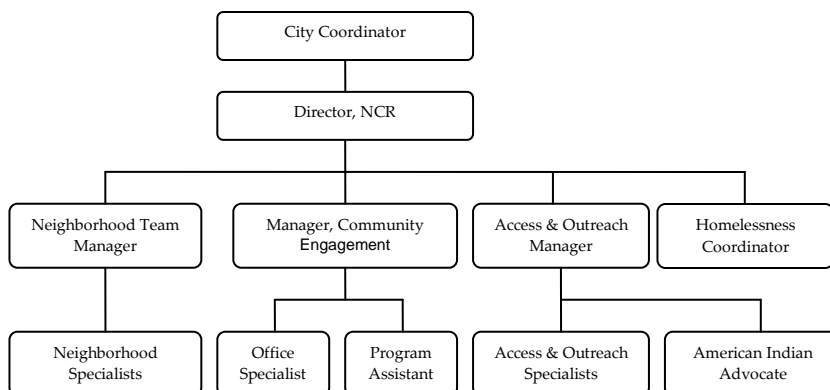
- Support for City Enterprise

The Department will serve as a resource to all City departments and work with City staff members on new and dynamic ways to incorporate community participation activities into their work. Through broader inclusive engagement, City departments will be better informed about meeting community needs. The department will strive to align the priorities of the City, neighborhoods and community organizations.

- Office to End Homelessness

The City of Minneapolis and Hennepin County adopted a plan to end homelessness in our community by the year 2016. This 10 Year Plan to End Homelessness, also known as Heading Home Hennepin, was developed by business and civic leaders, advocates, community members and individuals who have experienced homelessness. It was created to help address the growing problem of homelessness, and change the paradigm from managing it to ending it. The Department shares staff with Hennepin County to achieve this important goal.

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Many People, One Minneapolis

#### **Access and Outreach**

General Fund: \$392,815

#### *Neighborhood & Community Relations*

Other Funds: \$121,000

The City's "Many People, One Minneapolis" goal states "inclusiveness is a treasured asset; everyone's potential is tapped." To assure that this goal is met, the Access & Outreach staff works on addressing and removing barriers to civic participation and meaningful engagement by:

- Building connections with under-engaged communities where cultural norms, language and / or disability, as well as knowledge of government affect communication and access
- Leading an enterprise-wide initiative to remove barriers to participation and meaningful engagement
- Providing core interpretation and translation services to residents both individually and at community settings
- Connecting with newly arrived refugees and immigrants and welcoming them into the city
- Providing outreach and education related to city programs and services to community members
- Promoting meaningful civic engagement including voting, volunteering and serving on the City's boards and commissions
- Informing city programs and services to better serve and meet the needs of underserved communities

Minneapolis has seen a steady increase of its minority residents over the last few decades. Minorities now represent over 36% of the City's population according to the 2010 Census. The City has large urban Indian population, large African American and African immigrant population, large Latino community, large Asian population (mostly Hmong and Laos) and other smaller communities. These communities add to the vibrancy and the richness of Minneapolis as a diverse world class city. They generally organize themselves around their culture and ethnicity rather than their geographic location or neighborhoods. However, they are important partners in the city's efforts to increase participation, improve outcomes and reduce disparities in education, jobs, health and home ownership.

Many of the leaders and organizations that serve these communities are willing and capable in partnering with the City. However, they face multitude of challenges mainly due to limited resources and lack of knowledge and connections within the city structure. The Access & Outreach team provides that internal resource/connection with staff that has deep knowledge of many of these communities. The proposal also includes a fund that supports community organizations for the first time. With \$110,000, NCR and the City will significantly increase relationships with these communities on a range of issues and will get community input and buy-in for city programs and services. The fund will be targeted and will consist of small grants to address disparities and to develop community led and designed leadership development. In addition, the fund will be used to support the work of the American Indian Memorandum of Understanding work group. The work group is created under the MOU signed between the City and the American Indian community leaders in 2003.

*Measure: Diversity of Boards and Commissions*

#### **Appointed Boards and Commissions**

General Fund: \$38,159

#### *Neighborhood and Community Relations*

The Appointed Boards and Commissions program encourages Minneapolis community members to have an active role in policy-making in the City of Minneapolis. To this end, this program entails four major components.

- 1) Outreach and education – Collect information regarding open volunteer positions in a user-friendly format and provide opportunities for community members to learn more about what is required to serve on a board or commission.
- 2) Administering the Open Appointments process – The Open Appointments process ranges from public notification, application management, and legislative steps for appointment.
- 3) Training and Orientation – Provide newly appointed volunteers training that gives them the context and tools needed to serve as volunteers. This includes topics such as understanding where boards and commissions fit in to the City structure and processes, and how to operate using Robert’s Rules.
- 4) Recognition – Acknowledge the contributions and work of the hundreds of hours dedicated by volunteers.

Measure: *Accessible programs and services*

## **A Safe Place to Call Home**

### **Heading Home Hennepin – Office to End Homelessness**

General Fund: \$167,177

#### *Neighborhood and Community Relations*

Heading Home Hennepin is the City of Minneapolis and Hennepin County’s initiative to end homelessness by 2016. It focuses on ending homelessness through six main goals: prevention, outreach, housing, service delivery, systems improvement, and self-support. Accepted officially in 2006 by the Mayor, City Council, and County Board, the initiative has become a broad collaboration of corporations, businesses, nonprofits, faith congregations, community organizations, philanthropic foundations, and government agencies. The initiative, coordinated by the Director of the Office to End Homelessness, has leveraged significant private, state, and federal resources and has ended homelessness for thousands of families and individuals in its first four years of implementation. The Heading Home Hennepin Street Outreach initiative that the City supports has moved over 280 long-term homeless individuals off of the streets since Oct 2007 and has partnered with the police and others to reduce livability offenses in downtown Minneapolis.

Measure: *Persons unsheltered in January*

## **Livable Communities/Healthy Lives**

### **Neighborhood Organization Support and Services**

Other Funds: \$4,864,609

#### *Neighborhood & Community Relations*

The Department will focus on nurturing community engagement through neighborhood-based priority setting, planning and implementation; and the coordination of this work with the work of the City. Major goals for the department’s neighborhood programs in 2011 are:

1. Revise and continue the Community Participation Program and follow on funding programs;
2. Provide community engagement assistance for neighborhood organizations and the City enterprise;
3. Assume responsibility for administration and programming of the Neighborhood Revitalization Program;
4. Support and assist neighborhood associations in North Minneapolis with long-term recovery from the May 22, 2011 tornado;
5. Organizing an annual neighborhood and community summit.

Measure: *People in my neighborhood look out for one another*

## **A City that Works**

### **Enterprise Engagement Support**

General Fund: \$303,357

#### *Neighborhood and Community Relations*

Other Funds: \$345,564

The Neighborhood and Community Relations department will serve as a resource to all City departments working to support new and dynamic community engagement in the City that fosters open and accessible two-way communication.

*Measure: Resident rating on informing residents on major issues in the City*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

This department's budget increases by 7.2%, from \$5.8 million to \$6.2 million in 2012, primarily due to funding the Community Partnership Fund at \$110,000 and the move of the Senior Ombudsman into the department from Health and Family Support.

### **REVENUE**

This department does not produce revenue.

### **FUND ALLOCATION**

86% of this department's expenditures are funded by special revenue funds with the remaining 14% coming from the General Fund.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a reduction of \$120,000 (including 1 FTE) from 2011 spending levels.

The Mayor recommended the Neighborhood Revitalization Program phase out operations during calendar year 2012 and be transferred to this department.

### **COUNCIL ADOPTED BUDGET**

The Council increased the Mayor's Recommended Budget for the Neighborhood and Community Relations Department by \$106,000 from Health and Family Support, and moved 1 FTE (Senior Ombudsman) from the Health and Family Support Department to the Neighborhood and Community Relations Department.

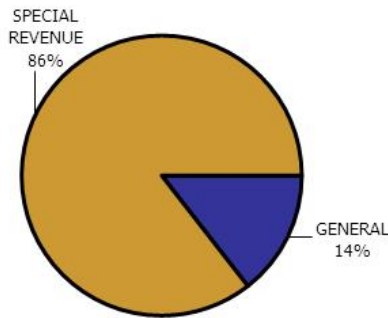
Finance and NCR staff are directed to report back to the Community Development Committee in two cycles regarding the appropriate use of Community Development Block Grant funding to support the CPED Citizen Participation program and the issues raised about that funding source.

The Council directed unspent funds from the 2011 NRP operating budget after paying all shut down expenses to the NCR Department.

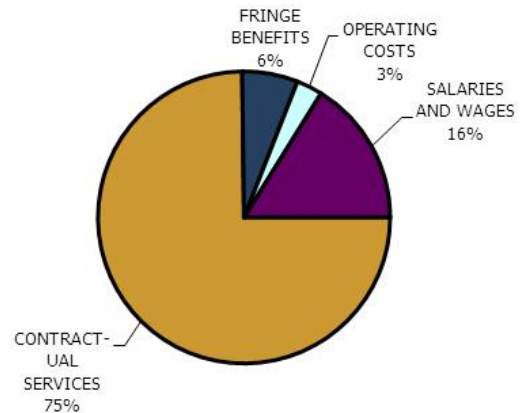
## NEIGHBORHOOD & COMMUNITY RELATIONS EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CAPITAL	4,196	183	2,000		-100.0%	(2,000)
CONTRACTUAL SERVICES	23,002	487,746	150,335	326,888	117.4%	176,553
FRINGE BENEFITS	21,105	126,210	82,497	147,803	79.2%	65,306
OPERATING COSTS	16,907	58,677	52,720	56,606	7.4%	3,886
SALARIES AND WAGES	116,515	431,668	330,767	370,211	11.9%	39,444
<b>TOTAL GENERAL</b>	<b>181,726</b>	<b>1,104,484</b>	<b>618,320</b>	<b>901,508</b>	<b>45.8%</b>	<b>283,189</b>
<b>SPECIAL REVENUE</b>						
CAPITAL			3,000		-100.0%	(3,000)
CONTRACTUAL SERVICES		4,755	4,182,785	4,335,195	3.6%	152,410
FRINGE BENEFITS		34,433	250,515	236,274	-5.7%	(14,241)
OPERATING COSTS		275	128,674	122,830	-4.5%	(5,844)
SALARIES AND WAGES		163,567	633,026	636,874	0.6%	3,848
<b>TOTAL SPECIAL REVENUE</b>		<b>203,030</b>	<b>5,197,999</b>	<b>5,331,173</b>	<b>2.6%</b>	<b>133,173</b>
<b>TOTAL EXPENSE</b>	<b>181,726</b>	<b>1,307,514</b>	<b>5,816,319</b>	<b>6,232,681</b>	<b>7.2%</b>	<b>416,362</b>

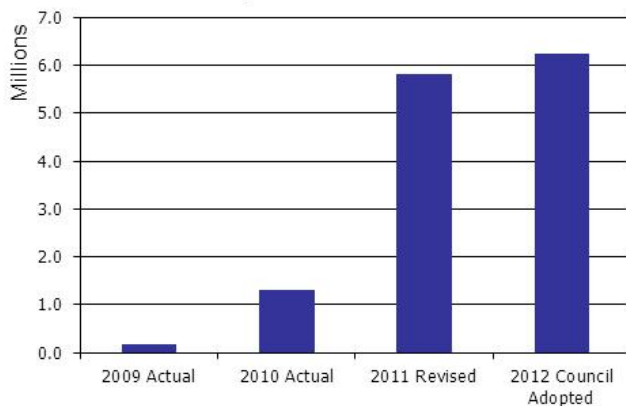
**Expense by Fund**



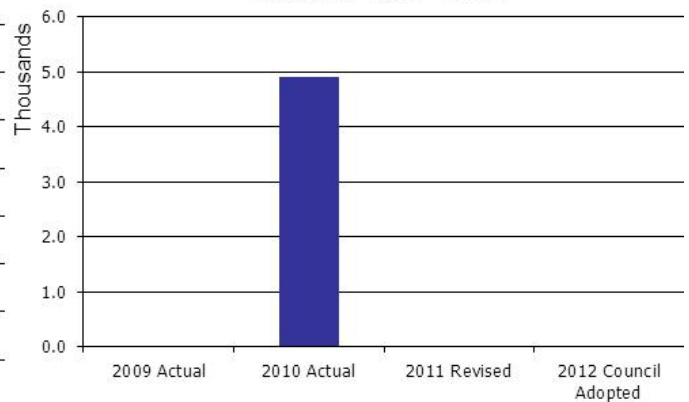
**Expense by Category**



**Expense 2009 - 2012**



**Revenue 2009 - 2012**

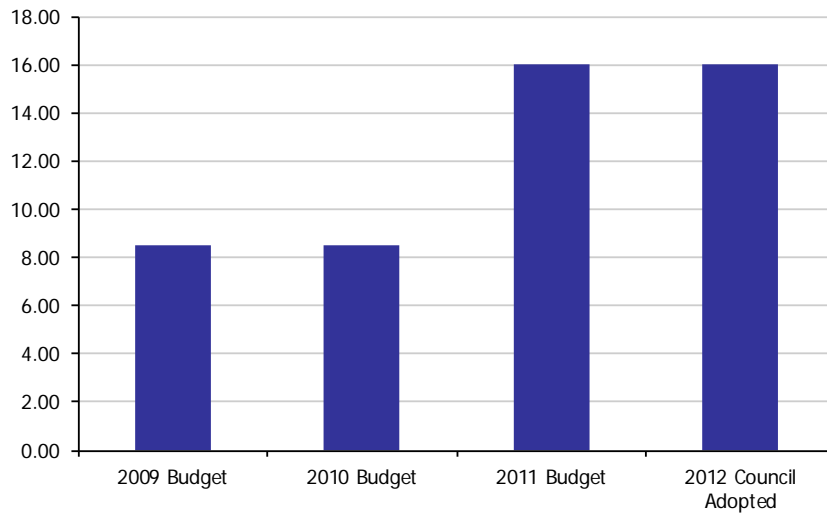




## NEIGHBORHOOD & COMMUNITY RELATIONS Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
Neighborhood and Community Rel	8.50	8.50				
Administration			16.00	16.00	0.0%	(0.00)
<b>TOTAL</b>	<b>8.50</b>	<b>8.50</b>	<b>16.00</b>	<b>16.00</b>	<b>0.0%</b>	<b>(0.00)</b>

### Positions 2009-2012



# CIVIL RIGHTS

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## MISSION

The mission of the Minneapolis Department of Civil Rights is to enforce Minneapolis Code of Ordinances Title 7 (non-discrimination); Title 9, Chapter 172 (civilian police review authority) Title 16, Chapter 423 (small and underutilized business programs); Title 23, Chapter 6 (prevailing wage); and, to promote understanding of civil rights among residents, business and government.

## BUSINESS LINES

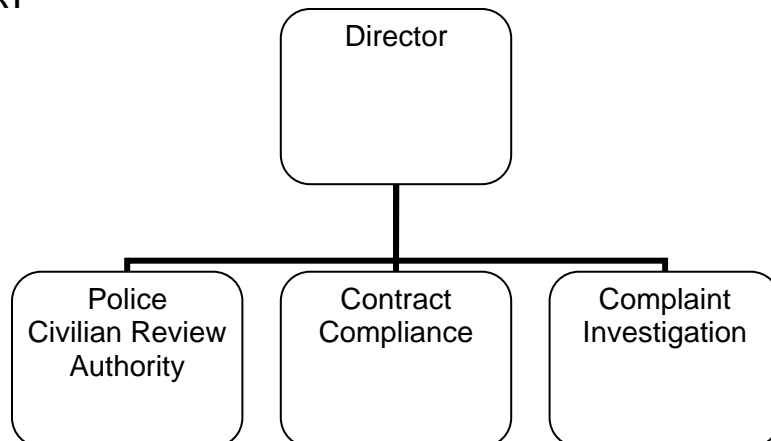
The Civil Rights Department has three business lines carried out through its business units: Complaint Investigations, Contract Compliance, and Civilian Police Review.

The **Complaint Investigations Unit (CIU)** receives, investigates and resolves complaints that allege illegal discrimination according to the Civil Rights Ordinances. For most of 2011 CIU was staffed with three investigators, one administrative staff person and one manager. The unit receives 200-250 charges per year. The investigators meet a performance standard of 60 cases per year, the administrative staff person performs intake on all of the allegations by individuals seeking to file a complaint with the department and provides administrative support to the work unit and the Minneapolis Civil Rights Commission. The manager provides policy expertise and oversight of the work unit.

The **Contract Compliance Unit (CCU)** monitors construction employment and training goals, prevailing wage payments, and affirmative action plans for City contractors. Additionally, the CCU investigates complaints alleging a violation of the ordinances it oversees. The CCU also aids prime contractors in successfully executing their “good faith” efforts relating to employment goals. Good faith efforts assistance includes: (a) linking prime contractors to labor sources of minority and women; and, (b) supporting the development and growth of minority and women-owned businesses so they may participate as sub-contractors. The Small and Underutilized Business Program (SUBP) is a program within the CCU.

The **Civilian Police Review Authority (CRA)** business unit receives and investigates complaints of police misconduct; mediates or fairly adjudicates complaints of police misconduct; and, educates the Minneapolis Police Department and the public on their rights and responsibilities under the CRA ordinance. The CRA typically receives over 300 complaints per year.

## ORGANIZATION CHART



**Contract Compliance**

General Fund: \$724,255

*Civil Rights*

Other Funds: \$365,000

The Contract Compliance Unit (CCU) increases employment and economic vitality by increasing job opportunities for individuals and economic growth for businesses while reducing racial, gender and economic disparities prevalent in employment and construction contracting with the City of Minneapolis (City). Two important reports - *Results Minneapolis Employment Gaps (2011)* ("Results Minneapolis") and *The State of Minority- and Women-Owned Business Enterprise: Evidence from Minneapolis (2010)* ("Disparity Study") reveal significant unemployment and income disparities between minority and female individuals and business owners and their white male counterparts. The reports urge the city to address this problem by targeting discrimination and by ensuring economic opportunity to individuals and businesses. The CCU does both.

*Measure: Businesses big and small start here, stay here, thrive here*

**Minneapolis Civilian Police Review Authority (CRA)**

General Fund: \$745,206

*Civil Rights*

After many years of citizen discontent with the MPD's handling of misconduct complaints and dissatisfaction with the MPD's relationship with minority communities, the CRA was created to fairly, objectively and independently consider complaints of MPD officer misconduct, and to issue determinations based on findings of fact and evidence to promote the adherence to the highest standard of police conduct and to foster mutual respect between the MPD and all populations of the city of Minneapolis. The program provides transparency, citizen engagement, and redress related to the police misconduct complaints against MPD officers.

*Measure: Resident survey - sense of safety*

**Minneapolis Civil Rights Complaint Investigations Program**

General Fund: \$683,539

*Civil Rights*

This program neutrally enforces the city's anti-discrimination laws and policies by investigating complaints of discrimination. Also, through a work sharing agreement with the U.S. Equal Employment Opportunity Commission (EEOC), the city serves as a Fair Employment Practice Agency (FEPA), investigating employment discrimination claims dual-filed and/or transferred from the EEOC.

The core team is comprised of two investigators, a senior investigator, an administrative analyst, a contract screener, and an assistant director to process cases, conduct investigations and outreach, administer the mediation program, monitor settlements, and staff the Minneapolis Commission on Civil Rights.

*Measure: Residence perception of discrimination in the City*

**FINANCIAL ANALYSIS****EXPENDITURE**

The total 2012 Civil Rights budget of \$2.518 million is a 6.9% increase from the 2011 revised budget. The general fund budget is increased by 3.6%.

## REVENUE

The department's revenue from EEOC (Equal Opportunities Employment Commission) work share agreement is projected in 2012 at \$93,700.

## FUND ALLOCATION

The department is funded by the general fund (82%) and federal funds (18%). The department will receive \$365,000 in CDBG funds.

## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a 2012 budget of \$2.518 million, including:

- Contract Compliance: The Mayor recommended a reduction of \$89,000 and one position from 2011 spending levels.
- Minneapolis Civil Rights Complaint Investigations Program: The Mayor recommended a 5%, or \$36,000 cut from 2011 spending levels.

The Mayor recommended no changes to the other programs.

## COUNCIL ADOPTED BUDGET

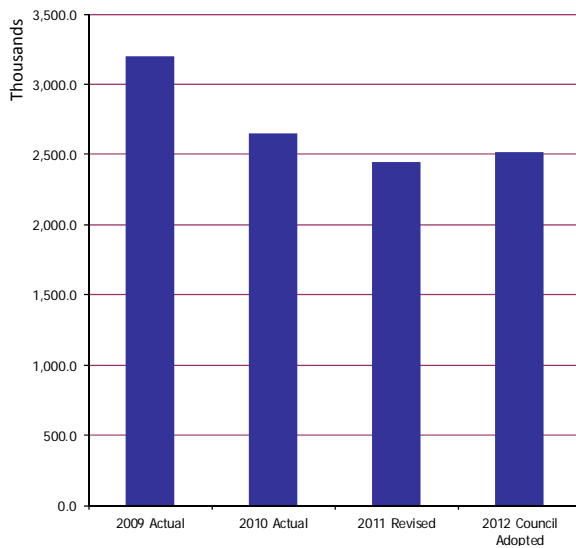
Council adopted the Mayor's recommendations and added \$90,000 and 1 FTE to the department.

### CIVIL RIGHTS EXPENSE AND REVENUE INFORMATION

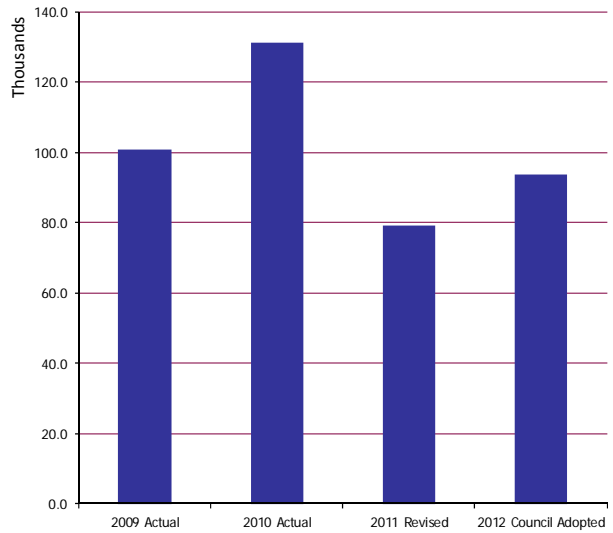
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES	710,998	675,739	476,966	480,736	0.8%	3,770
FRINGE BENEFITS	432,064	351,405	363,323	369,025	1.6%	5,702
OPERATING COSTS	272,194	267,148	297,726	341,742	14.8%	44,016
SALARIES AND WAGES	1,299,487	974,298	939,678	961,496	2.3%	21,819
<b>TOTAL GENERAL</b>	<b>2,714,743</b>	<b>2,268,591</b>	<b>2,077,692</b>	<b>2,153,000</b>	<b>3.6%</b>	<b>75,308</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES		786			0.0%	93,700
FRINGE BENEFITS	126,296	119,566	99,298	97,394	-1.9%	(1,904)
OPERATING COSTS	158				0.0%	0
SALARIES AND WAGES	359,547	263,684	265,701	267,605	0.7%	1,904
<b>TOTAL SPECIAL REVENUE</b>	<b>486,001</b>	<b>384,036</b>	<b>365,000</b>	<b>364,999</b>	<b>25.7%</b>	<b>93,700</b>
<b>TOTAL EXPENSE</b>	<b>3,200,744</b>	<b>2,652,627</b>	<b>2,442,692</b>	<b>2,517,999</b>	<b>6.9%</b>	<b>169,008</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	1,106	454			0.0%	0
CHARGES FOR SERVICES	500	719			0.0%	0
OTHER MISC REVENUES	(408)	50			0.0%	0
<b>TOTAL GENERAL</b>	<b>1,197</b>	<b>1,223</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS		786			0.0%	0
FEDERAL GOVERNMENT	99,457	128,993	79,200	93,700	18.3%	14,500
<b>TOTAL SPECIAL REVENUE</b>	<b>99,457</b>	<b>129,778</b>	<b>79,200</b>	<b>93,700</b>	<b>18.3%</b>	<b>14,500</b>
<b>TOTAL REVENUE</b>	<b>100,655</b>	<b>131,002</b>	<b>79,200</b>	<b>93,700</b>	<b>18.3%</b>	<b>14,500</b>

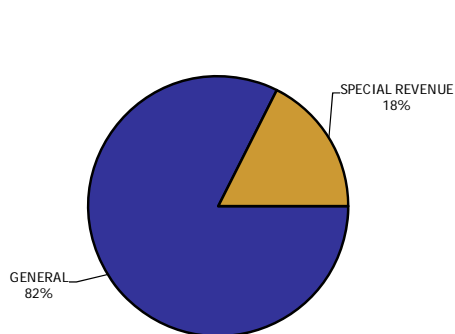
Expense 2009 - 2012



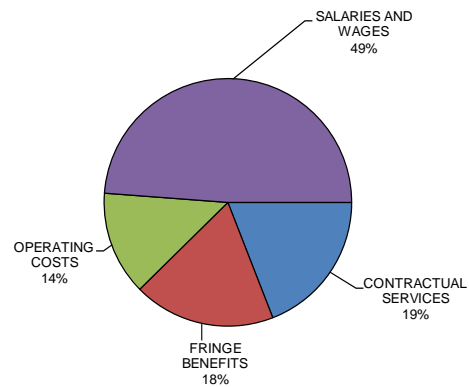
Revenue 2009 - 2012



Expense by Fund



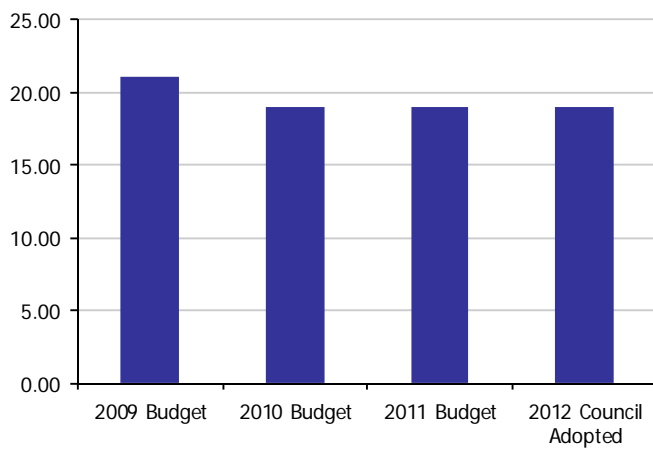
Expense by Category



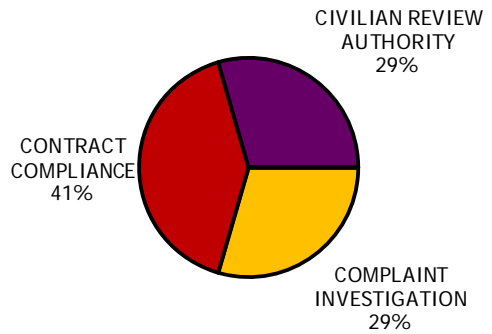
## CIVIL RIGHTS Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ADMINISTRATION	5.00	3.00	3.00		-100.0%	(3.00)
CIVILIAN REVIEW AUTHORITY	5.00	5.00	5.00	5.60	12.0%	0.60
CONTRACT COMPLIANCE	6.00	7.00	7.00	7.80	11.4%	0.80
COMPLAINT INVESTIGATION	5.00	4.00	4.00	5.60	40.0%	1.60
CIVIL RIGHTS						
<b>TOTAL</b>	<b>21.00</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>	<b>0.0%</b>	

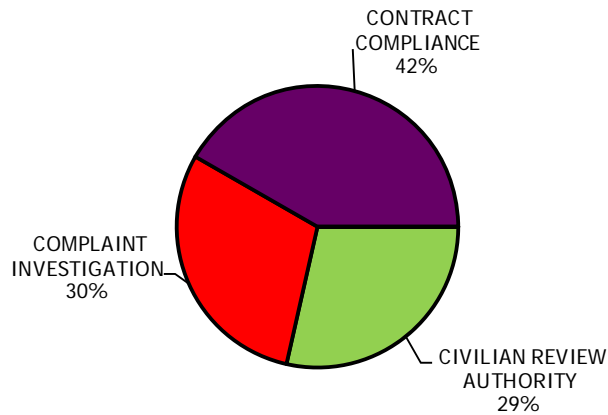
**Positions 2009-2012**



**Positions by Division**



**Expense by Division**



## COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

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### **MISSION**

CPED works to grow a sustainable city.

### **BUSINESS LINES**

The Department of Community Planning and Economic Development (CPED) has five business lines:

**Community Planning** – CPED maintains the City's comprehensive plan, guides development and partners in implementation.

**Economic Policy & Development** – CPED guides the City's role in business development, supports business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools.

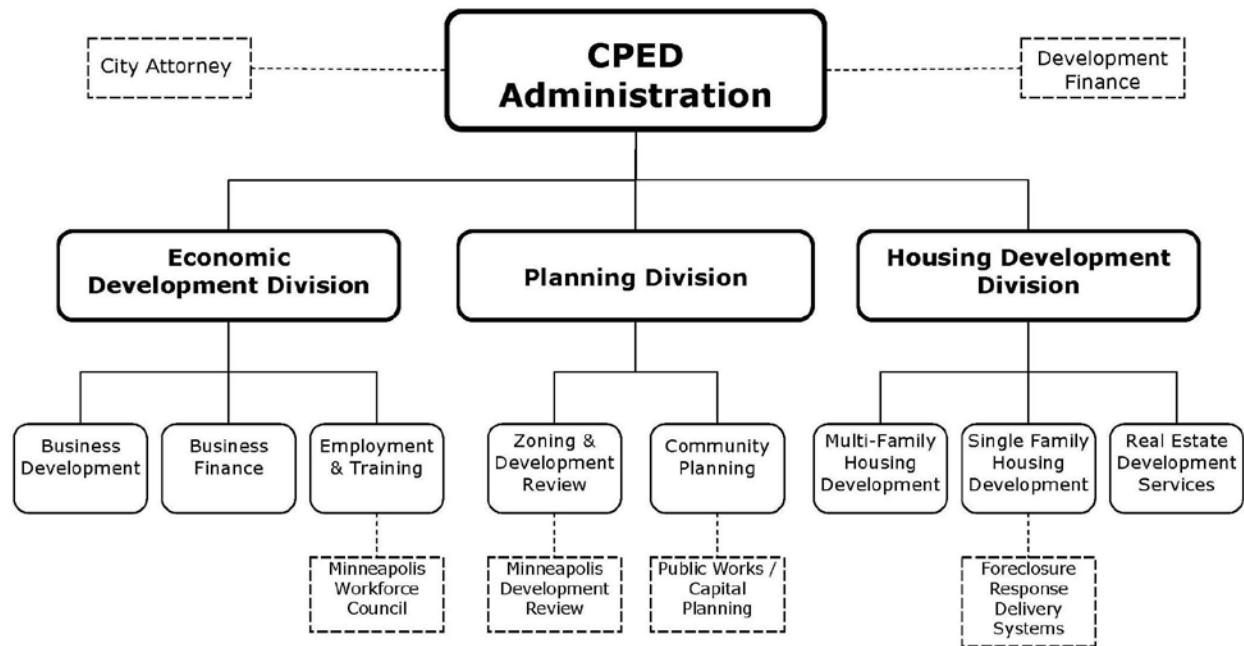
**Workforce Development** – CPED manages a network that identifies and prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities in the city.

**Housing Policy & Development** – CPED guides private, governmental, and non-profit housing investment and development to promote a range of housing types for all incomes throughout the City. In addition, CPED intervenes with targeted programs in areas of housing market failure in order to restore a healthy housing market and stimulate private investment.

**Planning & Development Services** – CPED administers zoning, heritage preservation and land subdivision regulations.

Other program and management-support activities include real-estate and related technical services, research and public art program.

## ORGANIZATION CHART



## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Many People, One Minneapolis

#### **Minneapolis Youth Program**

General Fund: \$179,299

CPED

Other Funds: \$4,267,763

STEP-UP interns receive critical work readiness training prior to being placed in a summer job. This training allows them to acquire the necessary skills to succeed on the job and helps position themselves for other successes in education and future careers. While in STEP-UP youth learn good work habits, earn wages and gain experience while providing valuable services to local businesses. Augmenting the summer job experience is the opportunity to attend camp, participate in workshops and earn high school credit via classroom training.

The STEP-UP programs use a variety of methods to bridge the efforts of community partners who seek to develop youth to their greatest potential. Besides STEP-UP, other programs strategically provide numerous career-exposure related activities for youth throughout the year. These activities primarily cultivate engaged and informed youth who are able to ultimately develop their own career pathway, while being targeted at career sectors that are need of exposure and workforce development.

*Measure: Closing disparities in race gaps in employment*



## **Jobs and Economic Vitality**

### **Regional Planning and Development**

General Fund: \$463,279

#### *CPED*

Other Funds: \$179,139

This program aligns Economic Development, Planning, Public Works and Sustainability within a regional planning and development framework, poising the city for a sustainable future by:

- accommodating projected population, housing and jobs growth;
- building complete and healthy communities;
- growing the local and regional economy through the initiatives of the Metropolitan Business Plan (MBP), and Regional Corridors of Opportunity;
- protecting natural and historic resources and recreational lands;
- promoting community livability by anticipating implications of climate change, and
- guiding infrastructure investment.

*Measure: Increase number of jobs in the City*

### **One Minneapolis (RENEW)**

General Fund: \$210,000

#### *CPED and Civil Rights*

Renewable Energy Networks Empowering Workers (RENEW) provides job-skills training and employment placement services, preparing low-income Minneapolis residents for careers in the 21<sup>st</sup> century. RENEW targets economic sectors in which increased demand for worker training creates career growth opportunity for underserved Minneapolis populations. These sectors include manufacturing, building systems, construction and renewable energy (City goal – Jobs and Economic Vitality). Recent market research highlights the Twin Cities as national leaders in developing green enterprise. Ongoing investment in RENEW capitalizes on successful initial marketing strategies (\$50,000 initial campaign investment) and early job placement momentum, while promoting continuous green economic expansion in the Minneapolis region.

*Measure: Increase employment among all groups while working to reduce racial disparities*

### **Adult Workforce Development Program**

Other Funds: \$5,464,548

#### *CPED*

The Adult Employment and Training Program serves low-income, program eligible Minneapolis residents. Services are provided by 11 community-based agencies that compete for performance-based contracts through a request for proposal process. The vendors are paid a fixed dollar amount at pre-determined intervals for successfully assisting their participants in obtaining and retaining employment.

The Dislocated Worker Program serves an important need for Minnesota jobseekers and aids employers by providing a pool of experienced workers to meet future labor needs. METP's Dislocated Worker Program is funded by federal Workforce Investment Act (WIA) and Minnesota Workforce Development funds. In 2010, the American Recovery and Reinvestment Act of 2009 (ARRA) also provided supplemental funding. These ARRA (Stimulus) funds were used to substantially increase the number of dislocated workers who had access to education and training opportunities in regionally identified demand occupational skill training. The Minnesota Department of Employment and Economic Development (DEED) administers these funds to the City.

*Measure: Increase employment amongst all groups while working to reduce racial disparities*

**Business Retention, Expansion, and Attraction Program** Other Funds: \$7,830,125

**CPED**

The purpose of this program is to retain existing Minneapolis businesses and help them expand and grow in the city and to attract new businesses to the city. Businesses large and small create jobs for city residents and grow the tax base, reducing the burden on all. Neighborhood businesses create stability and vitality while providing access to convenient services.

The City's work with businesses may include any combination of the following tools: site selection assistance, regulatory systems navigation, real estate development, financing, workforce recruitment and training, business consulting and technical assistance, and business networking. This program captures all of these activities except workforce recruitment and training, which is described in the "Adult Jobs" program.

*Measure: Increase number of new businesses while retaining existing businesses*

**Livable Communities/Healthy Lives**

**Corridor Vitality Investment Program** General Fund: \$244,885

**CPED** Other Funds: \$4,105,942

The CPED Corridor Vitality Investment Program integrates the City's investment of development resources in designated growth areas along transit corridors. This strategy is consistent with federal and regional investment direction and will help the City garner federal and philanthropic funding. This focus will ensure that quality housing choices are available to all demographic sectors in places convenient to shopping, services, and jobs, by means of transit or walking, and will support vibrant business districts at transit stops and transfer locations.

This program is an integrated department-wide framework for corridor investment supporting density and vitality on transit corridors. Program tools include existing development financing and business support through the Great Streets and Higher Density Corridor Housing programs, planning and policy alignment through the Planning Division and TOD Director. The corridor planning, Great Streets and Higher Density Corridor Housing elements of this program would continue ongoing work, with non-General Fund resources (with the exception of 1.7 planning FTEs).

*Measure: Change in City's population and modeshare*

## **Community Stabilization Program**

CPED

General Fund: \$329,367

Other Funds: \$5,428,195

The focus of this program is as follows:

- *Prevention: Continue foreclosure prevention outreach and counseling*
- *Reinvestment: Pursue strategic property acquisition and promote property development*
- *Repositioning: Engage in community building and marketing efforts*
- *Property Management: Contract services of local businesses and non-profits to maintain city-owned properties*
- *Code Enforcement: Continue zoning code (and related codes) enforcement efforts through various means and partnerships*

*Measure: People in my neighborhood look out for one another*

## **Homegrown Minneapolis – Local Food Initiatives: Business Development Center Component**

CPED/Health & Family Support

General Fund: \$75,000

Other Funds: \$118,912

The City in partnership with the Metropolitan Consortium of Community Developers (MCCD), has established the Homegrown Business Development Center to provide financing and technical assistance for Minneapolis based businesses that process and manufacture local food products. The purpose of the program is to foster the development and expansion of business ventures that promote sustainable agriculture and food production and processing within Minneapolis and the surrounding region. The Center will provide a loan up to \$10,000 at a 2% interest rate for a term not to exceed five years. Eligible uses of the Center's loan funds can include the costs associated with the processing, manufacturing, distribution and marketing of local food products.

*Measure: Percentage of residents live within a quarter mile of healthy and local food choices*

## **Art in Public Places**

CPED

Other Funds: \$345,490

The City of Minneapolis Public Art Program includes several components:

- **Art in Public Places:** The annual commissioning of 2-4 public artworks, integrated into City building projects, infrastructure, transportation planning, and development, which is funded through two percent of the annual net debt bond. The projects that will be implemented in 2012 include artist-designed utility boxes and the Hennepin Recycling and Drop-off Facility.
- **Conservation:** Conservation and care of over four dozen works of art developed through the Art in Public Places.
- **Technical Assistance to other agencies:** Technical assistance to other agencies and departments developing and conserving public art projects in the City, including Public Works, Central Corridor and Southwest Transit Way, Neighborhoods, the Minneapolis Park and Recreation Board, Hennepin County and others. Hennepin County and the Interchange will likely be the focus of this type of support in 2012.
- **Public Art Policy:** Coordinating the development of policies, guidelines and procedures for Public art by the Minneapolis Arts Commission and the City Council

- Proposals for Art on City Property: Coordinating review by the Public Art Advisory Panel and Minneapolis Arts Commission of proposed gifts of art to the City and permits of public art on City property.
- Proposals for Art on Private Property: Consulting on and Reviewing proposed public art and mural projects by others and potential conflict with City ordinances, such as zoning and graffiti.
- Historic Artworks: Work with the Heritage Preservation Commission to consider designation of historical artworks and monuments.

*Measure: Perceived change in livability*

**Protection, Preservation and Design of the Built and Natural Environment**

*CPED*

General Fund: \$1,725,432

Other Funds: \$892,572

This program carries out legally-mandated regulations required by the Code of Ordinances, MN statutes (including the 60-day law), and US Federal law for the preservation, design, and protection of the built and nature environment in the City of Minneapolis. The everyday, ongoing work of the program is integrated to ensure that growth and change in Minneapolis (through property development and building construction) is consistent with the City's adopted Comprehensive Plan, adopted policies, and all applicable ordinances and laws.

*Measure: Perceived change in livability*

**Transportation Planning and Management**

*CPED*

General Fund: \$330,271

Other Funds: \$164,667

Transportation Planning and Management develops and coordinates policies and actions to promote a safe, efficient and integrated multi-modal transportation system, safe and well maintained public infrastructure and community connectedness. Transportation Planning involves long-range planning, participation in regional transportation planning initiatives such as light rail, local bus and bus rapid transit corridors along with representing the City on policy boards and technical and advisory committees. This program also encompasses Minneapolis' long-range planning related to the Minneapolis-St. Paul International Airport.

*Measure: Perceived change in livability*

**Homeownership Support & Development**

*CPED*

Other Funds: \$2,918,038

The proposed 2012 program, Homeownership Support & Development, is a combination of existing programs, termed sub-programs in this proposal. This program is designed to assist with the development of affordable ownership housing for households with income at, or below 80% of the area median income. This portion of the strategy is critical to return the housing market to a more healthy condition. This program will be used to support development through rehabilitation and new construction, when applicable. New construction will not be encouraged, although it is understood that there will be instances where new construction will be warranted. An example of such time when new construction is applicable is when a developer has a buyer. The rationale for this decision is to limit the speculative market from increasing the supply of unsold units. In this section, all the ownership programs from 2011 are being combined into one program called the Homeownership Support & Development. This includes the following programs:

- *Affordable Ownership Housing Program*—the program will be used to support Senior Housing, Co-Ops and development and affordability gap financing for all ownership projects serving households with incomes at, or below 80% of the area median income, as required by the funding.
- *Home Ownership Works*
- *CityLiving (Source is Mortgage Revenue Bonds, the amount is market driven)*
- *Neighborhood Revitalization Program Administration (NRP Funds—contracted on an as requested basis by the neighborhood)*

*Measure: Percent of housing cost burdened households*

### **Affordable Housing Development Fund Program**

Other Funds: \$9,839,500

#### **CPED**

The Affordable Housing Development Fund provides gap financing that leverages significant public and private resources resulting in the construction of high quality, safe, and affordable housing for the housing cost-burdened citizens of Minneapolis. Affordable housing projects further the mission of CPED - "To Grow the City" - by removing blight, revitalizing neighborhoods, creating jobs, increasing the tax base, and catalyzing adjacent private development. This program is essential to meeting the City's Affordable Housing Goals established pursuant to the Livable Communities Act and its related Metropolitan Council-driven initiatives. The City established a goal to construct 4,200 to 9,300 units of affordable housing between 2011 and 2020. These funds are essential for meeting those goals.

*Measure: Percent of housing cost burdened households*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The total expenditure budget for CPED decreases from \$75.6 to \$63.5 million, or by 16%, primarily due to 2012 being the first year that transfers have been excluded from the budget. If transfers would have been included, CPED's expenditure budget would have been \$74.9 million, or shown a decrease of only 0.9%, primarily due to reductions in CPED's 2012 allocation of HOME funding. CPED planned to reduce its staffing levels by 6 FTE in 2012, with an additional 6 FTE recommended by the Mayor, though the Council restored 1 FTE to make the net reduction of 11 FTEs in 2012. The department's General Fund allocation increases by 7.6% to \$3.6 million. Debt Service payments totaling \$18.4 million in funding are not shown in a narrative program description.

### **REVENUE**

The 2012 revenue budget for this department decreases from \$91.8 million in 2011 to \$82.9 million, a 9.7% reduction, primarily due to 2012 being the first year that transfers are excluded from the budget and a 50% decrease in the captured value of the Consolidated TIF District, resulting in reduced tax increment revenue collections, reduced revenue collections in other TIF districts, and a reduction in projected CPED program income. If transfers would have been left in the budget, the department's revenue budget would have been \$87.5 million, a 4.7% reduction. Prior budgets did not account for any federal stimulus funds; however, CPED's 2012 budget captures \$1,089,000 dollars from the Neighborhood Stabilization Program for the Vacant and Boarded Program.

## FUND ALLOCATION

The CPED Department's programming is funded primarily in special revenue funds (86.7%). Enterprise funds account for 7.1% of the total and the General Fund accounts for 5.6%. A small portion (0.5%) of the department's programming is in capital projects.

## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended funding the department at the requested level with reductions to growth for a slower than anticipated rise in health care costs. The Mayor recommended funding the One Minneapolis program with \$300,000 in one-time funding to be jointly administered with Civil Rights, \$75,000 in one-time funding for the Mayor's regional export growth strategy initiative which will enable Minneapolis to work more effectively with companies considering exporting or seeking to grow by exporting to additional markets and be implemented through CPED - Economic Development Division's existing business calling plan, and \$150,000 for Greater MSP in one-time funding.

The Mayor also recommended that the department eliminate policy assistance for CLIC, reduce heritage preservation funding by \$123,000 (81,600 in General Fund money), eliminate departmental support for the Arts Commission, and thereby, reducing two FTEs in the planning department. The Mayor's recommendation also included the reduction of four additional FTEs across three programs – Corridor Vitality Investment Program, Minneapolis Youth Program, and Protection, Preservation and Design of the Built and Natural Environment. The Mayor also recommended a \$100,000 program enhancement for the Minneapolis Youth Program.

## COUNCIL ADOPTED BUDGET

The Council amended the Mayor's Recommended Budget by increasing the Year 38 allocations for Other Consolidated Plan Entitlements to HOME Investment Partnerships by \$2,072,652; and to the Emergency Solutions Grant (ESG) by \$1,014,625.

The Council also increased the Year 38 allocation for CDBG for Multi-Family/Affordable Housing by \$164,601.

The Council directed that the Year 38 Community Development Block Grant (CDBG) Consolidated Plan capital allocation to CPED be amended by reducing the allocation to NEDF/CEDF (Great Streets) by \$718,056 and increasing the allocation to Adult Training by \$380,000, increasing the allocation to Commercial Property Investment by \$139,000 and increasing the allocation to the Vacant and Boarded Building Program by \$199,056.

The Council also amended the Mayor's Recommended Budget for CPED by increasing the operating budget as follows:

- (1) Fund 01CUB - United Van/Bus \$200,000;
  - (2) Fund 01CRS - Rosacker Nursery \$525,000;
  - (3) Fund 01CPD - Portland place \$70,000;
  - (4) Fund 01CST - Stinson Tech. Campus \$300,000;
  - (5) Fund 01CFR - Former Federal Reserve \$500,000; and
  - (6) Fund 01CUV - Urban Village \$405,000
- for a total of \$2 million.

The Council further amended the Mayor's Recommended Budget by transferring \$90,000 from the RENEW program within CPED to Civil Rights.

The Council also amended the Mayor's Recommended budget for CPED by increasing CPED's expenditure budget by \$92,000 and increasing CPED FTE by 1 (Zoning Inspector II).

The Council further amended the Mayor's Recommended 2012 Capital Budget for Community Planning and Economic Development to allocate \$50,000 in Fund 01CLC (Location Contribution) for the It's All About Kids program, by decreasing the 2011 allocation for the Affordable Ownership Housing Program by \$50,000 and subsequently amending the Council's September 2, 2011 action to reduce the reallocated Affordable Ownership Housing Program funding that capitalizes the revolving loan fund for Neighborhood Stabilization Program projects from \$750,000 to \$700,000.

The Council rescinded its previous action committing \$5 million in UDAG funding to the planetarium project and returned discretionary control of these funds to CPED.

The Council directed the Community Planning and Economic Development Department to work with the Finance Department to prepare and present a methodology for the proposed Growth Fund. These presentations must be made prior to April 1, 2012, to both the Ways and Means/Budget Committee and the Community Development Committee.

CPED and Communications are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sublessee for MTN's existing space.

CPED is directed to increase fees for land use applications by 3.5% in 2012. Zoning re-inspection fees will be increased from \$150 to \$200.

CPED is directed to allocate up to 7.5% of Community Development Block Grant funds for Emergency Shelter Grants to Intergovernmental Relations.

The Council directed Public Works and CPED to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:

- a) Create defined project area;
- b) Establish Timeline, schedule, benchmarks; and
- c) Design and implement community and stakeholder engagement.

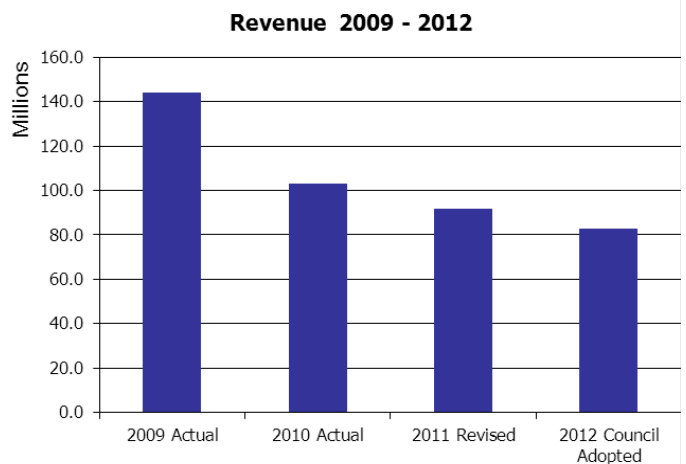
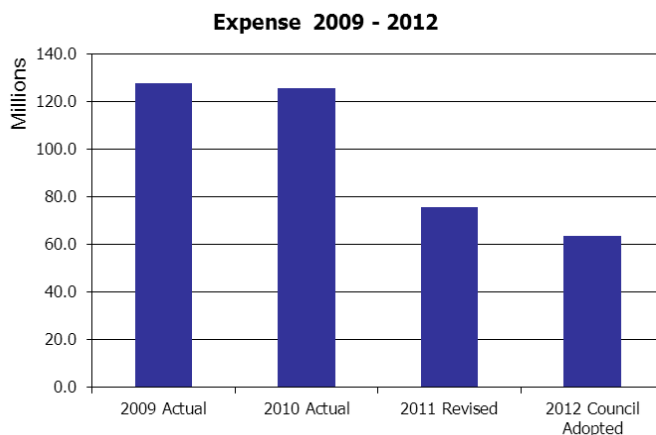
Staff is further directed to report back to CD and TPW committees by end of the first quarter 2012 on progress and with any recommendations.

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT  
EXPENSE AND REVENUE INFORMATION**

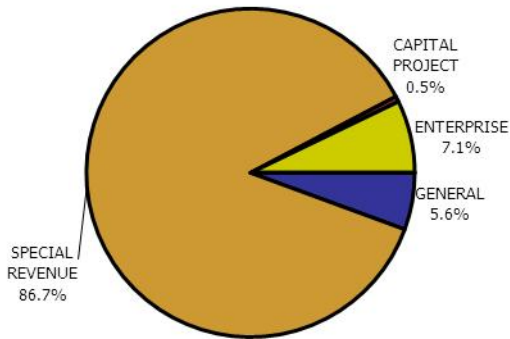
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>DEBT SERVICE</b>						
DEBT SERVICE	37,710,808	14,271,772				0
<b>TOTAL DEBT SERVICE</b>	<b>37,710,808</b>	<b>14,271,772</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL				75,000		75,000
CONTRACTUAL SERVICES	873,592	676,397	514,157	1,097,238	113.4%	583,081
FRINGE BENEFITS	683,937	650,492	699,936	619,318	-11.5%	(80,618)
OPERATING COSTS	91,804	265,470	242,363	92,958	-61.6%	(149,405)
SALARIES AND WAGES	2,079,122	1,934,292	1,850,124	1,673,021	-9.6%	(177,103)
<b>TOTAL GENERAL</b>	<b>3,728,455</b>	<b>3,526,651</b>	<b>3,306,580</b>	<b>3,557,535</b>	<b>7.6%</b>	<b>250,954</b>
<b>CAPITAL PROJECT</b>						
CAPITAL		39,160				0
CONTRACTUAL SERVICES	110,832	356,098		247,663		247,663
FRINGE BENEFITS		12,393	12,604	25,471	102.1%	12,867
OPERATING COSTS	361	424	432		-100.0%	(432)
SALARIES AND WAGES		28,924	35,443	72,357	104.2%	36,914
<b>TOTAL CAPITAL PROJECT</b>	<b>111,193</b>	<b>436,999</b>	<b>48,479</b>	<b>345,490</b>	<b>612.7%</b>	<b>297,012</b>
<b>ENTERPRISE</b>						
CAPITAL	1,969	15,918	93,282	2,113,688	2,165.9%	2,020,406
CONTRACTUAL SERVICES	1,894,773	1,988,508	851,076	475,144	-44.2%	(375,932)
DEBT SERVICE	41,609	33,332				0
FRINGE BENEFITS	39,120	36,670	44,700	117,479	162.8%	72,779
OPERATING COSTS	1,351,031	349,601	1,474,946	1,483,217	0.6%	8,271
SALARIES AND WAGES	129,747	111,013	135,928	351,238	158.4%	215,310
<b>TOTAL ENTERPRISE</b>	<b>3,458,248</b>	<b>2,535,043</b>	<b>2,599,932</b>	<b>4,540,765</b>	<b>74.6%</b>	<b>1,940,833</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	40,530,503	57,866,905	31,025,180	22,193,553	-28.5%	(8,831,627)
CONTRACTUAL SERVICES	29,633,167	33,674,145	26,781,572	22,185,345	-17.2%	(4,596,227)
DEBT SERVICE			110,425	109,099	-1.2%	(1,326)
FRINGE BENEFITS	2,236,010	2,356,499	2,528,707	2,324,209	-8.1%	(204,499)
OPERATING COSTS	2,493,176	3,268,957	2,170,231	1,608,382	-25.9%	(561,849)
SALARIES AND WAGES	7,767,216	7,896,107	7,067,418	6,626,125	-6.2%	(441,293)
<b>TOTAL SPECIAL REVENUE</b>	<b>82,660,072</b>	<b>105,062,614</b>	<b>69,683,534</b>	<b>55,046,713</b>	<b>-21.0%</b>	<b>(14,636,821)</b>
<b>TOTAL EXPENSE</b>	<b>127,668,776</b>	<b>125,833,079</b>	<b>75,638,524</b>	<b>63,490,503</b>	<b>-16.1%</b>	<b>(12,148,021)</b>



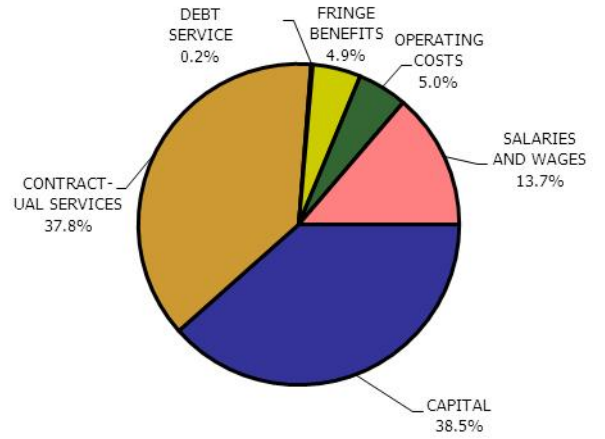
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	327,339	395,310	435,000	830,000	90.8%	395,000
LICENSE AND PERMITS	734,029	613,426	705,000	620,000	-12.1%	(85,000)
OTHER MISC REVENUES	761	2,272		2,000		2,000
<b>TOTAL GENERAL</b>	<b>1,062,128</b>	<b>1,011,008</b>	<b>1,140,000</b>	<b>1,452,000</b>	<b>27.4%</b>	<b>312,000</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SALES	1,503,853	1,639,061	275,000		-100.0%	(275,000)
CHARGES FOR SERVICES	9,678,291	9,007,468	6,579,500	425,000	-93.5%	(6,154,500)
CONTRIBUTIONS	151,290	88,875				0
FEDERAL GOVERNMENT	8,657,444	22,852,765	9,251,994	5,273,652	-43.0%	(3,978,342)
INTEREST	1,632,449	1,397,173	296,620	187,504	-36.8%	(109,116)
LOCAL GOVERNMENT	1,649,319	1,027,583				0
OTHER MISC REVENUES	4,615,881	3,606,445	5,705,000	12,686,393	122.4%	6,981,393
PROPERTY TAXES	70,301,931	41,843,214	61,327,780	52,945,265	-13.7%	(8,382,515)
RENTS	4,770,516	5,138,909	3,424,760	3,302,360	-3.6%	(122,400)
SALES AND OTHER TAXES	291	293				0
STATE GOVERNMENT	7,661,369	13,306,545	2,220,000	1,935,000	-12.8%	(285,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>110,622,636</b>	<b>99,908,331</b>	<b>89,080,654</b>	<b>76,755,174</b>	<b>-13.8%</b>	<b>(12,325,480)</b>
<b>CAPITAL PROJECT</b>						
LONG TERM LIABILITIES PROCEEDS	73,355	(272,573)				0
<b>TOTAL CAPITAL PROJECT</b>	<b>73,355</b>	<b>(272,573)</b>				<b>0</b>
<b>DEBT SERVICE</b>						
INTEREST	2,395	527				0
<b>TOTAL DEBT SERVICE</b>	<b>2,395</b>	<b>527</b>				<b>0</b>
<b>ENTERPRISE</b>						
CHARGES FOR SERVICES	2,079,383	2,179,678		867,000		867,000
INTEREST	58,003	46,291				0
OTHER MISC REVENUES	30,100,542	129,768	1,550,000	3,500,000	125.8%	1,950,000
RENTS	313,092	285,623		328,000		328,000
<b>TOTAL ENTERPRISE</b>	<b>32,551,020</b>	<b>2,641,360</b>	<b>1,550,000</b>	<b>4,695,000</b>	<b>202.9%</b>	<b>3,145,000</b>
<b>TOTAL REVENUE</b>	<b>144,311,534</b>	<b>103,288,652</b>	<b>91,770,654</b>	<b>82,902,174</b>	<b>-9.7%</b>	<b>(8,868,480)</b>



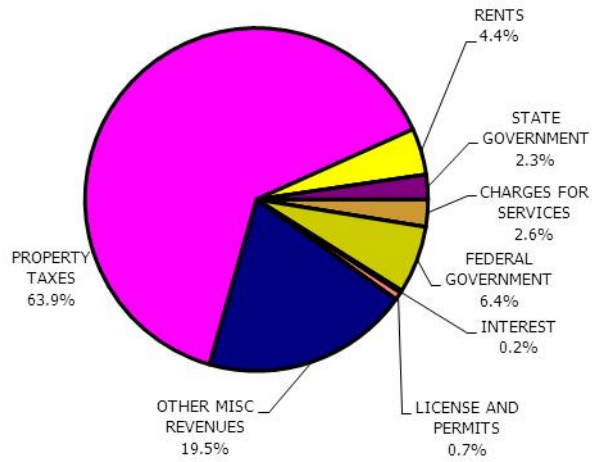
**Expense by Fund**



**Expense by Category**



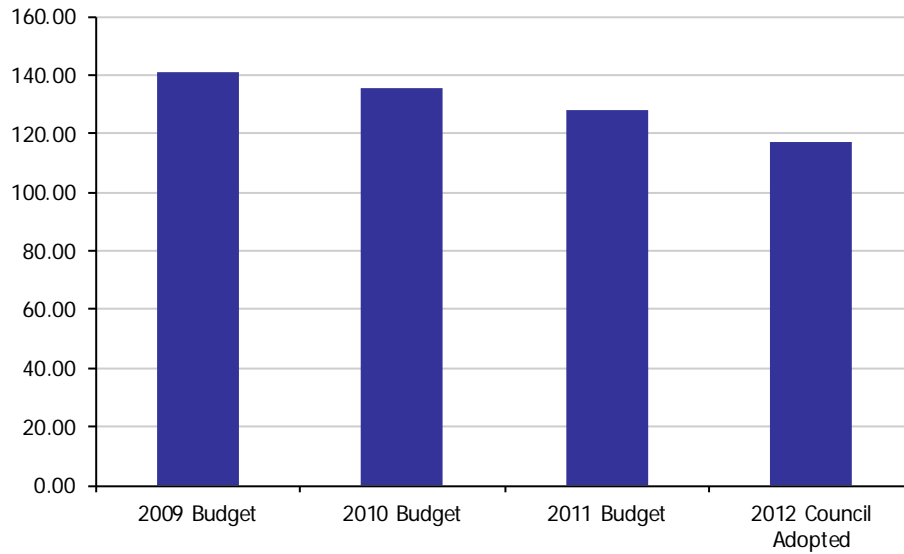
**Direct Revenue by Type**



**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT**  
**Staffing Information**

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
TOTAL CPED	141.00	135.32	128.00	116.79	-8.8%	(11.22)
<b>TOTAL</b>	<b>141.00</b>	<b>135.32</b>	<b>128.00</b>	<b>116.79</b>	<b>-8.8%</b>	<b>(11.22)</b>

**Positions 2009-2012**



## **FIRE**

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### **MISSION**

Members of the Minneapolis Fire Department are thoroughly trained and ready to protect lives, property and the environment by rapidly responding to emergencies and hazardous situations. We are committed to prevention by proactively working with the community to reduce risk to life, property and the environment.

### **BUSINESS LINES**

The Minneapolis Fire Department maintains a state of readiness in order to:

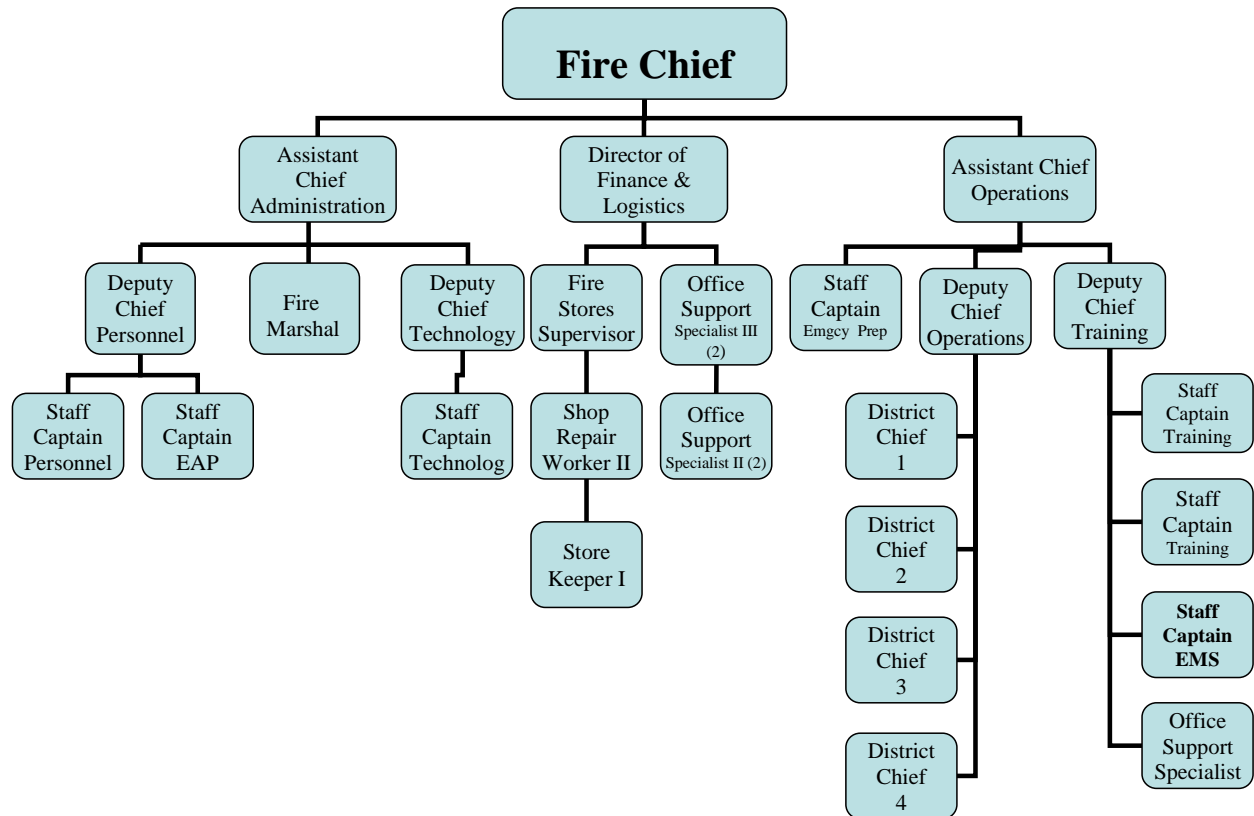
#### **Respond to minimize loss of life or property and environmental impact**

- Provide Emergency Medical Services (EMS), Fire suppression, Specialized Rescue and Hazardous Material mitigation for anyone who lives in, works in or visits our city 24 hours per day, 7 days a week
- Provide Regional Emergency Service reciprocal support to others needing help, including deployment of Hazard Incident Management Team (HIMT) and Minnesota Task Force One (MNTF1—a State asset of specially trained personnel in technical rescue), for natural disasters, homeland security, emergency preparedness, high impact incidents, as well as fulfilling our mutual aid and automatic aid agreements

#### **Promote prevention/community risk reduction by proactively working with and in the community to support changes to help preserve life, property and the environment**

- Utilize our positive professional reputation to build lasting connections with residents and businesses throughout the community to foster safety education such as:
  - Arson Prevention - Safety Awareness School Programs, - Emergency Evacuation Plans and Drills - Public Service Announcements - Community Outreach Programs (e.g. smoke detector give away, blood pressure screening, etc.)
- Provide Fire Watch for Convention Center, sports facilities and other events as required
- Complete code inspection and enforcement in medium hazard properties and high occupancy dwellings. Conduct building familiarization of high hazard properties and high risk hazardous materials facilities.

## ORGANIZATION CHART



### Fire Department: Fire Suppression, Emergency Medical Service and Emergency Rescue Fire

General Fund: \$35,252,905

Other Funds: \$10,000

The Fire Suppression, Emergency Medical Service and Emergency Rescue program moniker only describes a portion of the type of duties completed by the Minneapolis Fire Department. The term "Fire Department" only partially describes the multiple services provided by today's contemporary fire departments. "Public Safety" is a better term to describe the increased variety of responses by cross-trained personnel who perform multiple roles in a growing range of services, such as emergency medical services, hazardous materials response, technical rescue and terrorism/WMD response. At our core we protect lives, property and the environment by rapidly responding to emergency and hazardous situations.

*Measure: Deaths, injuries and property losses related to safety*

**Fire Department: Training and Recruitment**

General Fund: \$5,784,772

*Fire*

The Training program is the foundation from which all firefighter's skills are built. The pursuit of excellence and high professional standards is vital to Fire's success and is achieved through skills training, instilling a value of life-long learning, the development of leadership traits and ensuring a focus on wellness, health and safety of the people which the firefighters interact with and the firefighters themselves.

*Measure: Deaths, injuries and property losses related to safety*

**Fire Department: Community Risk Reduction and Community Outreach**

General Fund: \$5,215,954

*Fire*

Prevention is the best form of suppression. The Community Risk Reduction and Community Outreach program promotes prevention /community risk reduction by proactively working with and in the community to support changes that will preserve life, property and the environment. This can be accomplished through predicative interventions of community education, coaching organizations, focusing on school age children for early interventions and providing warning equipment to residents. The highest need populations include juveniles, low income and our aging populations.

*Measure: Deaths, injuries and property losses related to safety*

**Fire Department: Code Inspection and Enforcement**

General Fund: \$5,140,911

*Fire*

The Code Inspection and Enforcement program includes staffing Fire Watch at public events as required by code, performing commercial/industrial building inspections, performing 4+ unit residential housing inspections and the familiarization of high risk hazardous facilities and properties.

*Measure: Code and Safety compliance rates*

**Fire Department: Fire Investigation**

General Fund: \$877,703

*Fire*

The Investigation program investigates and tracks the causes and origin of fires in order to focus fire prevention efforts and support the prosecution of arson crimes.

*Measure: Resident survey - sense of safety*

**FINANCIAL ANALYSIS****EXPENDITURE**

The Fire Department's 2012 expense budget for all funds of \$52.3 million represents a 1.7% increase from the 2011 revised budget. Personnel expenses make up 83% of the total budget. Salaries are 59% and benefits are 24%. The total FTE is 392. Non-personnel expenses make up 17% of the total budget. The department is 99.9% funded from the general fund.

The 2011 adopted FTE number included 13 firefighters funded with one time funding. Those positions were removed from the budget for 2012, in addition to one position which was cut by the Mayor and approved by Council.

Council resolution 2011R-465 appropriates 4 firefighter positions to the 2012 budget on a one time basis. Those FTE are not reflected on this schedule because they are added on a one time basis and not to the Department's base.

#### REVENUE

The Department anticipates \$3.9 million in revenue in 2012, essentially flat from the 2011 level. The Department also receives \$1.8 million in state government funds accounted for in the general fund that is allocated to offset some of the pension costs for active firefighters since 1980.

#### FUND ALLOCATION

The department is funded 99.9% in the general fund and .01% in special revenue funds.

#### MAYOR'S RECOMMENDED BUDGET

In 2011, the Mayor restored \$1.1 million to the department's base to restore positions that would have otherwise been eliminated by the removal of one time funding. The Mayor recommended the following reductions to growth:

- Fire Suppression, Emergency Medical Service and Emergency Rescue: The Mayor recommended a reduction of 1 FTE from 2011 spending levels.
- Training and Recruitment: The Mayor recommended a reduction of \$200,000 in non-personnel expense from 2011 spending levels.

The Mayor recommended no changes to the other programs.

#### COUNCIL ADOPTED BUDGET

Council adopted the Mayor's recommendation with the following amendments: amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change.

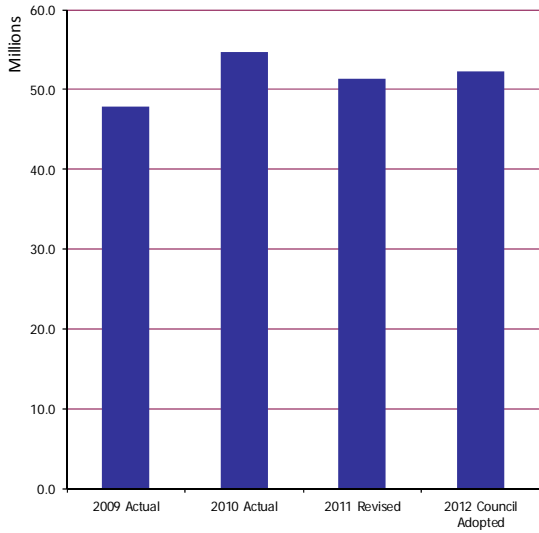
Council directed the Fire Department to work with its consultants to evaluate the arson investigation functions performed by Fire personnel, including the potential for revising staffing models as well as work share agreements with MPD.

## FIRE EXPENSE AND REVENUE INFORMATION

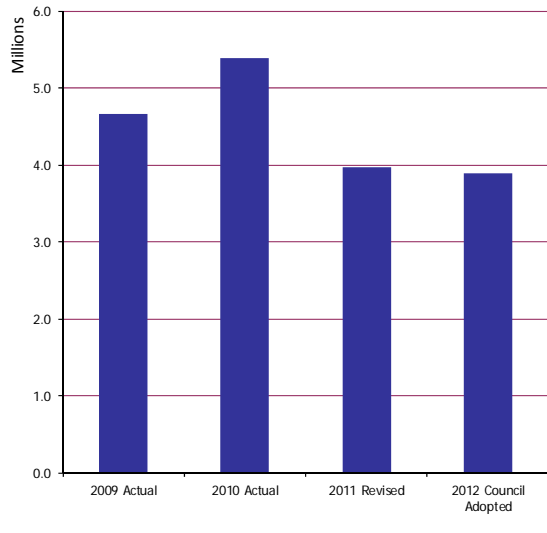
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(4,971,961)	529,782			0.0%	0
<b>TOTAL AGENCY</b>	<b>(4,971,961)</b>	<b>529,782</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	45,044	87,266	587,000		-100.0%	(587,000)
CONTRACTUAL SERVICES	33,537	88,595	7,000	10,000	42.9%	3,000
FRINGE BENEFITS	6,603	266			0.0%	0
OPERATING COSTS	410,945	87,579			0.0%	0
SALARIES AND WAGES	6,816	35,610			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>502,945</b>	<b>299,315</b>	<b>594,000</b>	<b>10,000</b>	<b>-98.3%</b>	<b>(584,000)</b>
<b>GENERAL</b>						
CAPITAL		21,816	136,739	138,926	1.6%	2,187
CONTRACTUAL SERVICES	5,984,681	5,722,764	5,590,927	6,415,276	14.7%	824,349
FRINGE BENEFITS	12,345,758	13,257,603	12,687,368	12,630,252	-0.5%	(57,116)
OPERATING COSTS	1,822,672	1,653,729	2,004,045	2,203,395	9.9%	199,350
SALARIES AND WAGES	32,133,255	33,149,222	30,394,805	30,884,397	1.6%	489,592
<b>TOTAL GENERAL</b>	<b>52,286,367</b>	<b>53,805,134</b>	<b>50,813,883</b>	<b>52,272,245</b>	<b>2.9%</b>	<b>1,458,362</b>
<b>TOTAL EXPENSE</b>	<b>47,817,352</b>	<b>54,634,231</b>	<b>51,407,883</b>	<b>52,282,245</b>	<b>1.7%</b>	<b>874,362</b>
<b>REVENUE</b>						
	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	332	249	250	250	0.0%	0
CHARGES FOR SERVICES	317,637	966,969	121,000	674,000	457.0%	553,000
LICENSE AND PERMITS	2,005,885	2,210,319	1,419,796	1,383,000	-2.6%	(36,796)
OTHER MISC REVENUES	258,437	136,028	160,000		-100.0%	(160,000)
SPECIAL ASSESSMENTS			400,000		-100.0%	(400,000)
STATE GOVERNMENT	1,580,300	1,896,858	1,863,000	1,830,000	-1.8%	(33,000)
<b>TOTAL GENERAL</b>	<b>4,162,590</b>	<b>5,210,423</b>	<b>3,964,046</b>	<b>3,887,250</b>	<b>-1.9%</b>	<b>(76,796)</b>
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS	15,721	2,981	10,000	10,000	0.0%	0
FEDERAL GOVERNMENT	479,476	170,044			0.0%	0
STATE GOVERNMENT	2,039				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>497,235</b>	<b>173,025</b>	<b>10,000</b>	<b>10,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>4,659,826</b>	<b>5,383,448</b>	<b>3,974,046</b>	<b>3,897,250</b>	<b>-1.9%</b>	<b>(76,796)</b>



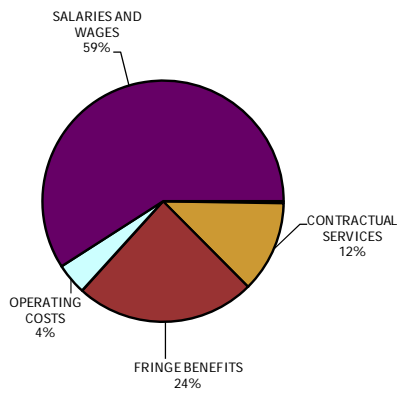
Expense 2009 - 2012



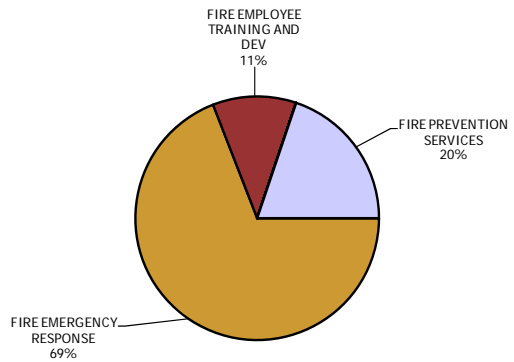
Revenue 2009 - 2012



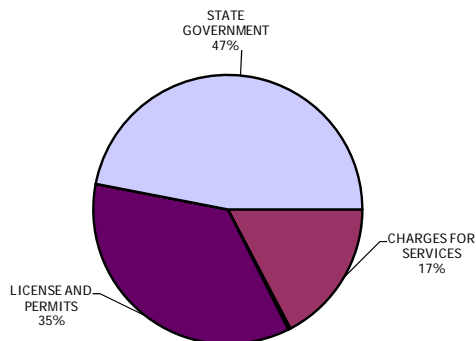
Expense by Category



Expense by Division



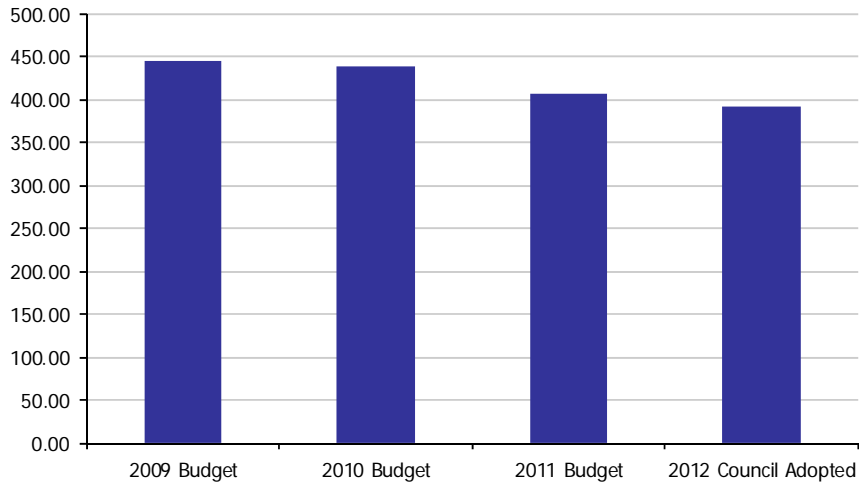
Direct Revenue by Type



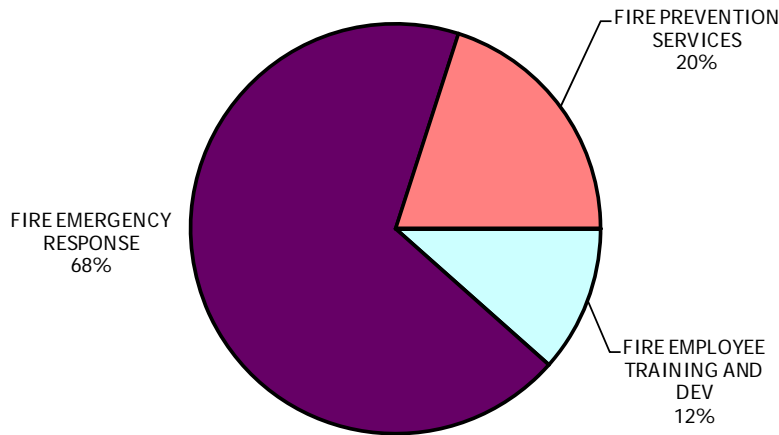
## FIRE Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
FIRE EMPLOYEE TRAINING AND DEV	6.00	6.00	8.00	45.30	466.3%	37.30
FIRE DEPARTMENT						
FIRE EMERGENCY RESPONSE	406.00	400.00	379.00	268.15	-29.2%	(110.85)
FIRE FINANCE AND LOGISTICS	5.00	5.00	5.00		-100.0%	(5.00)
FIRE INFORMATION SERVICES	2.00	2.00	2.00		-100.0%	(2.00)
FIRE PREVENTION SERVICES	17.00	17.00	4.00	78.55	1,863.8%	74.55
FIRE GRANTS AND DONATIONS						
FIRE HEADQUARTERS	8.00	8.00	8.00		-100.0%	(8.00)
<b>TOTAL</b>	<b>444.00</b>	<b>438.00</b>	<b>406.00</b>	<b>392.00</b>	<b>-3.4%</b>	<b>(14.00)</b>

### Positions 2009-2012



### Positions by Division



## HEALTH AND FAMILY SUPPORT

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### **MISSION**

To promote health equity in Minneapolis and meet the unique needs of our urban population by providing leadership and fostering partnerships.

### **BUSINESS LINES**

Promote health; healthy residents, communities, and environments

A major responsibility of a local public health agency is health promotion. In Minneapolis, the department believes that community engagement and partnerships are critical to success in this area and seek out representatives of diverse communities to elicit their unique perspectives and build on their strengths to improve community health. Program administration involves families, youth, and seniors in decisions that affect their well-being. Special projects target key phases across the lifespan.

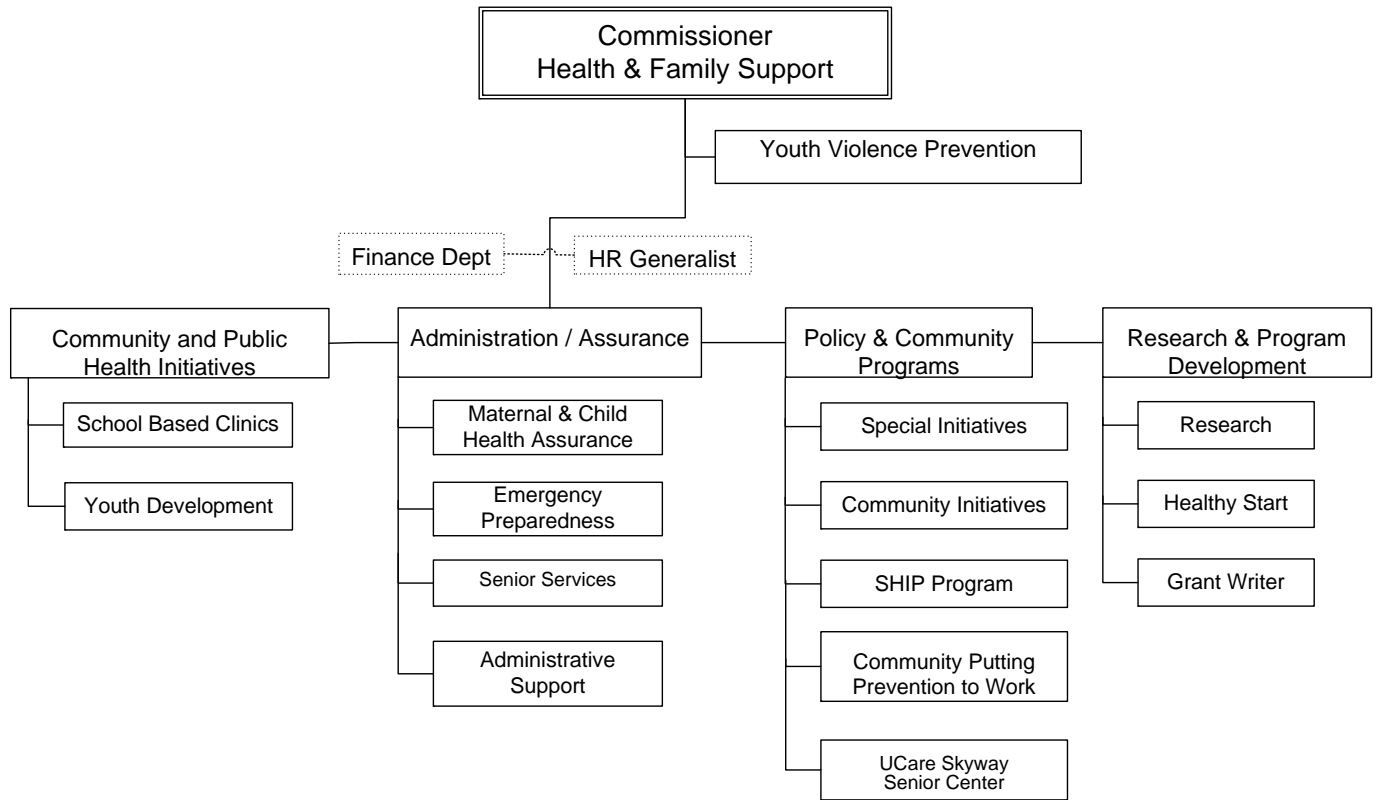
Address factors affecting health: social conditions and physical environment

Individual health is highly dependent on the environments in which individuals live and work, and this is most apparent in urban environments, where population density and mobility are higher and poverty is more concentrated. The department works with community agencies to promote lead- and smoke-free homes and ensure physical safety for infants and toddlers in their homes and child care centers. To promote healthy weight through easier access to physical activity options and more nutritious foods, we work with City departments, schools, child care centers, and worksites to create healthier environments through policy changes.

Protect the Public's health: disease prevention and control and emergency preparedness

Preventing and controlling infectious diseases is vital to community health. Pandemic influenza is an example of a situation that requires combined expertise in infectious disease control and emergency preparedness. The department addresses City responsibilities through partnerships with Hennepin County, community clinics, and other community agencies. As an urban public health agency, the focus is on populations that require messages and intervention tailored to their particular needs, whether due to language differences, cultural norms, social isolation, or history of traumatic experiences.

## ORGANIZATION CHART



### Youth Violence Prevention

#### *Health and Family Support*

General Fund: \$139,510

Other Funds: \$498,555

Violence is a learned behavior that is strongly influenced by a complex interaction of factors, and prevention requires understanding and addressing these multiple factors. The City of Minneapolis Youth Violence Prevention Blueprint for Action uses the social ecological model as its framework to better understand the multiple reasons violence occurs and the need for multiple approaches to prevent it. Rather than relying solely on a law enforcement strategy and health and mental health responses after an event has occurred, the Blueprint outlines 4 goals and 33 strategies which provide individual, community and societal responses that approach prevention and intervention strategies along a continuum.

*Measure: Juvenile part 1 and part II crimes*

### Infectious Disease Prevention

#### *Health & Family Support*

General Fund: \$31,142

Other Funds: \$336,780

Department infectious disease prevention services, a core function of public health, are provided in three areas - routine disease prevention and control, support for immunizations, and a focus on response to the very high rate of sexually transmitted infections (STI) in high risk Minneapolis populations.

Disease prevention and control is a statutory requirement for local health departments to be able to provide or ensure quick and effective response to threats to public safety/health. The city has contracted with Hennepin County Public Health to provide surveillance for communicable diseases, monitor trends and detect outbreaks, investigate outbreaks,

eliminate sources, and provide technical assistance and education to the medical community in controlling communicable disease problems - a recent example is the measles outbreak among individuals who were predominately Minneapolis residents. As needed, the County can request assistance from the city (in incidents exceeding the level of "routine" infectious disease services, agreements are in place for coordination of efforts across city and county public health as detailed in the program proposal on public health emergency preparedness). They also provide the epidemiological investigation on any food-borne outbreaks in the city in coordination with Environmental Health/Regulatory Services.

*Measure: Deaths, injuries and property losses related to safety*

**MDHFS Healthy Homes Outreach, Education and Blood Lead testing**

*Health and Family Support*

General Funds: \$ 41,400

Other Funds: \$280,047

The Minneapolis Department of Health and Family Support's (MDHFS) Healthy Homes and Environment Program provides Minneapolis residents technical assistance and education around environmental health hazards in a variety of ways. First, MDHFS oversees the education and outreach component of Hennepin County's Department of Housing, Community Works and Transit (HCWT) Lead-Based Paint Hazard Control and Demonstration Grants awarded by the U.S. Department of Housing and Urban Development. In this role, MDHFS manages contracts and provides technical assistance to three community-based organizations contracted to provide lead poisoning prevention and healthy homes education and outreach. Second, the Department per the Minnesota Department of Health's Lead Case Management Guidelines is required to provide follow up on all blood lead capillary results 10 micrograms per deciliter or higher. Additionally, MDHFS provides education and outreach around lower blood lead levels (capillary and venous) between 5-9 micrograms per deciliter, working with Minneapolis Pediatric and Family Practice Clinics to coordinate this approach. Third, the Department coordinates the Lead Testing Taskforce which includes city, county, and state governmental agencies, community-based partners, and health plans. In all of these efforts the Department works with a variety of community stakeholders to develop policy and program recommendations to reduce home based toxins.

*Measure: Meeting or exceeding health standards for pollutants*

**Infant and Early Childhood Services**

*Health & Family Support*

General Fund: \$418,593

Other Funds: \$613,676

The program addresses public health primary prevention by ensuring at-risk young children have basic public health services that promote healthy outcomes that will save public resources in the long-run. It provides early intervention and school readiness services targeted to Minneapolis families with children under the age of six years who live in impoverished neighborhoods and are underserved, isolated or otherwise not connected to services. Early intervention services provide developmental screenings to children and refer them for further evaluation when necessary. In recent years, the referrals to early intervention have risen approximately 16% largely due to the increased effort in community outreach, and the increase in collaboration between early childhood agencies including Way To Grow, Rueben Lindh, Headstart, MPS, and local public health. There have also been increased efforts in screening before age three.

*Measure: Resident survey - perceived change in livability*

## **Obesity Prevention**

General Fund: \$74,857

### *Health and Family Support*

Other Funds: \$387,100

MDHFS implements a broad range of policy, systems, and environmental change strategies aimed at reducing and preventing obesity by increasing access to, and affordability of, healthy foods and physical activity opportunities in community, worksite, school, and health care sites. MDHFS has worked on obesity prevention since 2004 with the Steps to a Healthier MN grant, as part of the Statewide Health Improvement Program (SHIP; set to end in June 2011) and more recently as part of the Communities Putting Prevention to Work initiative (CPPW; set to end in March 2012). Since addressing chronic disease prevention is a public health mandate, the department is hopeful that additional state funds (from the Statewide Health Improvement Program) or federal funds through the Community Transformation Grant program will become available to fund this work.

*Measure: Percent of adults at a healthy weight*

## **Senior Services**

General Fund: \$43,478

### *Health and Family Support*

Other Funds: \$168,921

There are two areas of senior services in this program - operations of the UCare Skyway Senior Center and contracts with community based organizations for senior services. The UCare Skyway Senior Center (USSC) is a safe, friendly, and comfortable place for people age 50 and over to gather in downtown Minneapolis to participate in a variety of enrichment activities and wellness services, connect to community resources, and explore community service opportunities. There are over 16,000 visits per year by seniors and family members seeking senior services. The Center is staffed by one full time coordinator who also oversees 40 plus volunteers. Listed below are relevant Center statistics for 2010:

- Average Unduplicated Visitors per Day: 68
- Total 2010: Visits: 17,045
- Total 2010: 400 structured activities and programs = average 2 per day (physical fitness, balance and chronic disease prevention are key aspects of these programs.
- Total 2010: Program Attendance: 1,500
- Total 2010: Volunteer Hours: 2,700
- Number of Center volunteers: 40 at any one-time
- Number of volunteer presenters from other organizations: 75, of which half are seniors
- Chatter Newsletter Distribution: 4,000 household's quarterly

Community Contracts:

The Living at Home Block Nurse Program serves three Minneapolis communities: Nokomis, Southeast, Longfellow/Seward. The program assists seniors 65 and older to remain independent and living safely in their homes. Services include transportation, volunteer visitors, homemakers, home health nursing and health aides, in-home fall prevention assessments, community health outreach clinics including blood pressure checks, exercise classes, and flu shots. In 2009-10 the Block Nurses served 651 frail elderly with in-home nursing services, and an additional 1,600 seniors for blood pressure checks, exercise classes, and fall prevention assessments.

Minnesota Visiting Nurse Agency provides home health services for low income and uninsured seniors primarily age 60-65 (until eligible for Medicare services). In 2010 they served 459 seniors through more than 1,600 visits, helping to maintain at-risk seniors safely in their homes.

*Measure: Change in City's population*

**School Based Clinic Program**

General Fund: \$558,138

*Health & Family Support*

Other Funds: \$1,863,450

The Health Department operates School-Based Clinics (SBC) in six Minneapolis public high schools to provide early intervention services that are age-appropriate, convenient and barrier free. The SBC program provides a range of adolescent friendly services including acute illness care, well teen exams, reproductive care, nutrition education, immunizations, and mental health screenings, assessments and counseling. While any teen can receive health services from the clinics, we target students who are low income and/or do not have medical insurance. All of our clinics have medical and behavioral health professionals providing services. We encourage teens to live positive, healthy life-styles; teach teens how to use the health care system effectively; and provide early detection and treatment of illness. The overall SBC goal is to improve clinic access by providing physical and mental health services within an integrated school-based primary care model and promote healthy lifestyles that assure long term well-being for adolescents.

*Measure: 4 year high school graduation rates*

**Perinatal Initiatives**

General Fund: \$125,688

*Health & Family Support*

Other Funds: \$1,183,548

The Department provides oversight and support to two aspects of perinatal services - the federally funded Healthy Start program (Department of Health Resources and Services Administration (HRSA), and the federal Maternal and Child Health (MCH) pregnancy improvement program.

Healthy Start collaborates with external partners to provide perinatal services and to reduce the number of low birth weight babies, preterm births, and infant deaths among high-risk pregnant women. The program specifically targets high-risk pregnant African American and American Indian women who are at risk for poor birth outcomes. Twin City Healthy Start contracts with program and clinical sites located in Minneapolis and St. Paul to provide screening and case management services to high-risk pregnant women. Each participant enrolled in the program receives a prenatal risk overview assessment that identifies their psychosocial risks factors along with an individualized care plan that provides them with prenatal education, interventions and supportive services. Participants receive prenatal education throughout the pregnancy and during the post-partum period through the baby's second year of life.

The MCH funds support two community programs that provide culturally specific, family centered services to low income and high risk pregnant women in the American Indian and Latino communities to address factors contributing to poor birth outcomes. Additional work is planned to follow pregnant women affected by the tornado in North Minneapolis and development of culturally specific mental health programming for pregnant and parenting women.

*Measure: Fewer complaints about accessibility*

**Teen Pregnancy Prevention**

General Fund: \$117,812

*Health and Family Support*

Other Funds: \$1,104,854

MDHFS provides city-wide policy, planning and program development for teen pregnancy strategies for youth. MDHFS also provides supportive services to pregnant and parenting teens with the intent of keeping them in school, reducing infant mortality, ensuring infant and

early childhood screening, and prevention of subsequent pregnancies. Teen pregnancy prevention has been identified as an overall objective of the City and is also a recommendation in the Minneapolis Youth Violence Prevention Blueprint. Teen pregnancy is also one of the indicators that the City monitors through Results Minneapolis. Our 2010 goal was to reduce the pregnancy rate among 15-17 year olds to 46 pregnancies per 1,000 teens. We exceeded our 2010 goal by achieving an overall rate for 2010 of 34 pregnancies per 1,000 teens. Unfortunately, the rates of teen pregnancy among Hispanics, Black, and American Indian girls are six to 10 times higher than white girls. In addition to the services provided in the Minneapolis schools, MDHFS contracts with community based agencies to provide culturally appropriate, evidence based comprehensive sexuality education. The City also contracts with Minnesota Visiting Nurse Agency (MVNA) to provide home visiting services to pregnant and parenting teens.

MDHFS plans to continue its work with Minneapolis Public Schools to provide training to health education teachers and expand the model to charter schools in neighborhoods with high number of teen pregnancies. The City will also have additional funding in 2012 through the federal Safer Sex program sponsored by Hennepin County. This funding will allow us to provide individual counseling and follow-up with teens visiting our school based clinics that have a positive STI test. This new program uses motivational interviewing to encourage teens to modify risky behavior related to unprotected sex and teen pregnancy. Funding in 2012 decreased about 8% due to loss of grant resources in this area.

*Measure: Fewer complaints about accessibility*

## **Youth Development**

### *Health & Family Support*

General Fund: \$405,085

Other Funds: \$37,283

The Youth Development program has two primary components - policy and program development to better meet the needs of Minneapolis youth and a contract with the Youth Coordinating Board for youth focused services.

Policy work: MDHFS staff work on policy issues and provide technical assistance to the Youth Coordinating Board, community based agencies and jurisdictional partners regarding youth development strategies and program planning. The youth development program has also been successful in directing funds toward positive youth development opportunities for youth who experience economic and health disparities.

Contract with YCB: These funds have been used to establish and maintain the Minneapolis Youth Congress which is a representative body of approximately 60 Minneapolis youth. This group was established to inform decision making and policy development relevant to youth. They work in collaboration with elected officials focusing on a common understanding of the welfare of the youth in the City of Minneapolis. These funds also provide after school programming contracts with MPS community Education, Minneapolis Parks, and Hennepin County Libraries and additional community based organizations. These programs provide a range of opportunities for young people including homework help, access to technology, participation in extracurricular opportunities and transportation to access high quality youth development programming.

*Measure: 4 year high school graduation rates*



**Health Care Safety Net**

General Fund: \$215,949

*Health & Family Support*

Other Funds: \$889,191

As a local health board operating a health department, the City is mandated by statute to ensure access to health services for Minneapolis residents. Populations whose health is heavily dependent on accessing health services include women of childbearing age and children. Until the mid 1990's the department met this need by providing direct medical and dental services. In 1996 the City Council decided to meet this mandate responsibility by contracting with community organizations rather than providing City staff services. The primary agencies that have provided these safety net services since 1996 are the Neighborhood Health Care Network (NHCN) through their Minneapolis located community clinics, and the Minnesota Visiting Nurse Agency (MVNA) for public health nursing home visits, and Children's Dental Services (CDS). These three non-profit agencies form the structure of the health care safety net services for the most at risk families in Minneapolis, and are augmented with additional funding for the Hennepin County HealthCare for the Homeless Project.

The City supported health care safety net NHCN and CDS clinics, along with the Homeless Project, ensure quality health care services that are affordable, professional, accessible, and culturally competent to meet the changing face of Minneapolis residents. The services provided include: primary medical and dental care, prenatal care, family planning with both male and female reproductive health services, disease prevention and management, mental health, adolescent care, health care for the homeless, and child and teen check-ups. Services are provided to Minneapolis resident who are the hardest to reach, underserved/uninsured, families living at or below 200% of poverty.

NHCN clinics provided 4,858 city subsidized visits in 2010, CDS provided 966 subsidized dental visits to 804 uninsured children (with 89% of needed work completed), and health care for the homeless served 58 pregnant women and 276 children. MVNA provides public health nursing home visiting for pregnant and post partum women, and children and families with risk indicators. Mostly the risk indicators are non-medical conditions involving complex social issues. In 2010 MVNA provided 3,300 subsidized home visits and 1,100 nurse assessments.

*Measure: Closing disparities/gaps in poverty*

**Community health assessment, engagement and policy**

General Fund: \$261,266

*Health and Family Support*

Other Funds: \$548,223

This program compiles and interprets health data and engages a broad network of residents and community-based agencies to identify and address health problems and their precursors. The program also examines efforts elsewhere across the country and internationally to identify successful methods for responding to priority health issues. MDHFS uses assessment data and research to develop and implement community based policy and program changes. The Health Department also makes recommendations for state and national policy change to improve health. The estimated costs for this program vary from year to year. As new grants are awarded to the Department, portions staff time may be charged to other program areas. This phenomenon makes the 2012 estimated costs larger than the 2011 costs.

*Measure: Resident rating on providing meaningful opportunities for citizens to give input on important issues*

## **Advocacy Services for Victims of Domestic Violence**

Other Funds: \$60,000

### **Health and Family Support**

For more than 20 years the city has funded advocacy services for victims of domestic violence through the Domestic Abuse Project (DAP). DAP's advocacy program reaches out to victims immediately after a domestic assault. The Minneapolis Police Department notifies DAP of each domestic assault report, both arrests and those in which the perpetrator was gone upon police arrival (GOAs). DAP advocates help victims develop a safety plan for themselves and their children, provide information and education about domestic abuse, assist with basic life and safety needs, write Orders for Protection, and help victims navigate the labyrinth of the criminal justice system.

DAP is unique in its provision of criminal court advocacy for Minneapolis domestic assault victims. DAP has worked with victims in the courts since 1982 and has trained many other advocates in criminal court advocacy. Tubman provides assistance in obtaining Orders for Protection, as does the Domestic Abuse Service Center. Both partner agencies often refer victims to DAP, especially those who do not speak English or who have complex circumstances. DAP has advocates who speak Spanish, Somali, Kiswahili, and Oromo. DAP advocates helped 3,627 victims in 2010, over 75% persons of color, and virtually all low income. 85% of all the victims served live in Minneapolis, while city funding accounts for only 5-10% of DAPs revenue. The estimated costs for 2012 are lower than the 2011 costs due to administrative savings because the program is a stable ongoing program.

*Measure: Deaths, injuries and property losses related to safety*

## **Public Health Emergency Preparedness**

Other Funds: \$372,402

### **Health and Family Support**

The program is responsible for ensuring plans are in place and exercised to ensure City readiness for public health emergencies, specifically biological events such as pandemics, but also including natural disasters such as heat and those requiring care for those touched by the emergency. The All Hazard emergency plan includes assuring: mutual aid and cooperative agreements with partners are in place; department staff are trained and ready to lead; and City-wide staff can be mobilized for response. The MDHFS Emergency Preparedness Team tests the training and plans for which the health department has a mandated role. The program also focuses on building community resiliency through community partners to address disparities and potential gaps. Federal directives assign MDHFS to lead the City response to biological events, extreme heat or cold, and assistance centers. Events which require support from MDHFS include natural disasters, radiological, structural collapse or explosions and sheltering of displaced residents.

*Measure: Resident survey – sense of safety*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

In 2012, the department's total budget is approximately \$9.8 million, a 27% decrease from the 2011 revised budget. The General Fund budget is \$2.4 million. The department has 11.45 less FTEs than it did in 2011. The department anticipated less grant funding in 2012, therefore requested 8.45 less FTE than in 2011. Additionally, one position was reduced as a result of

shifting grant funding from personnel expense to non personnel expense. During 2011, the funding for one vacant FTE was transferred to the fire department. A council action moved the senior ombudsman out of Health and into NCR for 2012.

#### REVENUE

2012 revenues are budgeted to decrease 18% in state and federal grants. There is no revenue associated with the General Fund or the CDBG fund.

#### FUND ALLOCATION

The department is funded 23% in the general fund and 77% in special revenue funds. The department receives \$612,000 in CDBG dollars.

#### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended the following changes:

- Youth Development: The Mayor recommended a 10%, or \$44,000 cut from 2011 spending levels.
- Health Care Safety Net: The Mayor recommended a \$200,000 cut from 2011 spending levels.
- Public Health Emergency Preparedness: The Mayor recommended no general fund funding. The program will maintain \$372,402 in grant revenue.
- Community Health Assessment, Engagement, and Policy: The Mayor recommended an \$8,000 cut from 2011 spending levels.

The Mayor did not fund:

- Green and Healthy Homes; Aligning grant resources for greater impact
- Advocacy Services for Victims of Domestic Violence

The Mayor recommended no changes to the other programs.

#### COUNCIL ADOPTED BUDGET

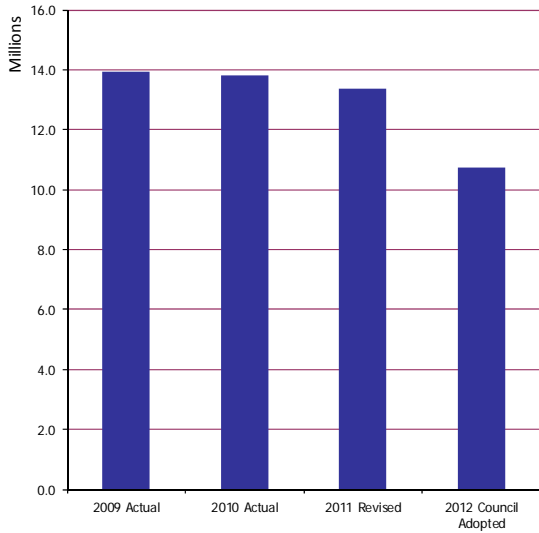
Council adopted the Mayor's Recommendation with the following amendments and staff directions:

- Direct MPD and Health to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation.
- The department's budget is reduced by \$106,000 and one FTE (Senior Ombudsman) is moved to Neighborhood and Community Relations.
- The department's budget is increased by \$72,000 in CDBG funding for Neighborhood Services.
- The department's budget is increased by \$60,000 in CDBG for the Domestic Abuse Project.

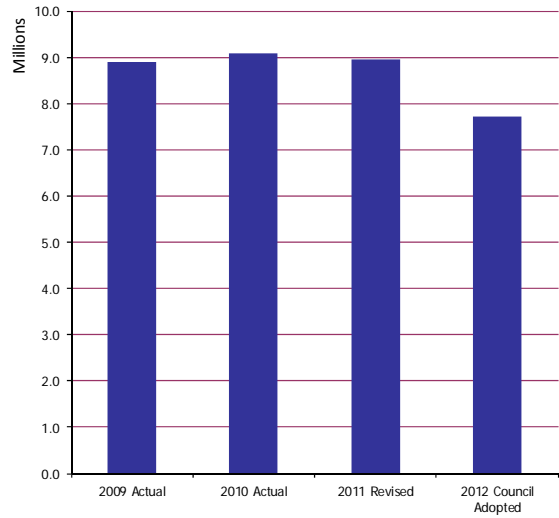
## HEALTH AND FAMILY SUPPORT EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	934	11,204			0.0%	0
<b>TOTAL AGENCY</b>	<b>934</b>	<b>11,204</b>			<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CONTRACTUAL SERVICES	2,503,017	2,063,813	2,230,958	1,541,997	-30.9%	(688,961)
FRINGE BENEFITS	447,363	198,707	225,382	221,079	-1.9%	(4,303)
OPERATING COSTS	272,120	272,623	226,466	99,364	-56.1%	(127,102)
SALARIES AND WAGES	1,240,835	777,647	633,128	570,476	-9.9%	(62,652)
<b>TOTAL GENERAL</b>	<b>4,463,334</b>	<b>3,312,791</b>	<b>3,315,934</b>	<b>2,432,916</b>	<b>-26.6%</b>	<b>(883,018)</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	7,001	80,340			0.0%	0
CONTRACTUAL SERVICES	5,676,211	5,640,562	5,273,690	4,314,729	-18.2%	(958,961)
FRINGE BENEFITS	914,812	1,194,088	1,253,060	1,068,275	-14.7%	(184,785)
OPERATING COSTS	216,557	283,538	81,760		-100.0%	(81,760)
SALARIES AND WAGES	2,674,696	3,310,148	3,439,537	2,900,987	-15.7%	(538,550)
<b>TOTAL SPECIAL REVENUE</b>	<b>9,489,277</b>	<b>10,508,677</b>	<b>10,048,047</b>	<b>8,283,992</b>	<b>-17.6%</b>	<b>(1,764,055)</b>
<b>TOTAL EXPENSE</b>	<b>13,953,545</b>	<b>13,832,671</b>	<b>13,363,981</b>	<b>10,716,908</b>	<b>-19.8%</b>	<b>(2,647,073)</b>
<b>REVENUE</b>						
	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>Percent Change</b>	<b>Change</b>
<b>GENERAL</b>						
CHARGES FOR SERVICES	451,741	14,237			0.0%	0
OTHER MISC REVENUES	40				0.0%	0
<b>TOTAL GENERAL</b>	<b>451,781</b>	<b>14,237</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES	433,033	394,790	310,000	300,000	-3.2%	(10,000)
CONTRIBUTIONS	206,777	160,814	85,000	166,052	95.4%	81,052
FEDERAL GOVERNMENT	4,536,887	4,104,975	4,579,821	3,803,329	-17.0%	(776,492)
INTEREST	1,591	1,327			0.0%	0
LOCAL GOVERNMENT	236,222	112,754	163,200	210,000	28.7%	46,800
OTHER MISC REVENUES	23,847	14,884	5,000	2,869	-42.6%	(2,131)
SALES AND OTHER TAXES	61,220	22,557	8,000	10,000	25.0%	2,000
STATE GOVERNMENT	2,954,407	4,261,533	3,810,549	3,218,367	-15.5%	(592,182)
<b>TOTAL SPECIAL REVENUE</b>	<b>8,453,983</b>	<b>9,073,634</b>	<b>8,961,570</b>	<b>7,710,617</b>	<b>-14.0%</b>	<b>(1,250,953)</b>
<b>TOTAL REVENUE</b>	<b>8,905,764</b>	<b>9,087,871</b>	<b>8,961,570</b>	<b>7,710,617</b>	<b>-14.0%</b>	<b>(1,250,953)</b>

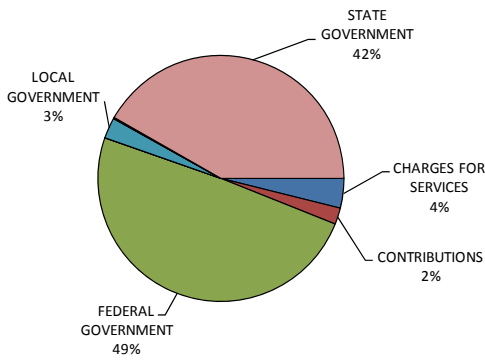
Expense 2009 - 2012



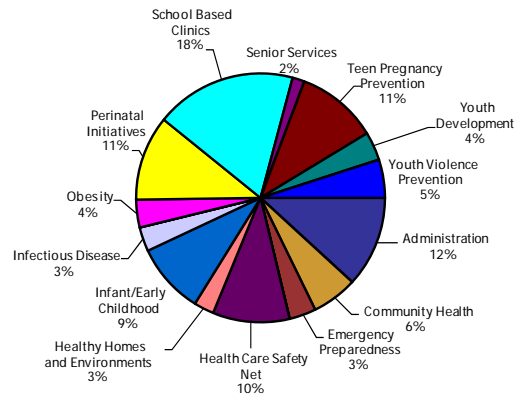
Revenue 2009 - 2012



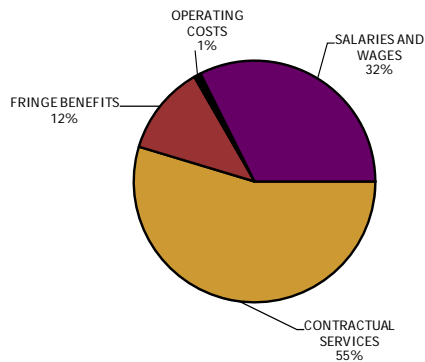
Direct Revenue by Type



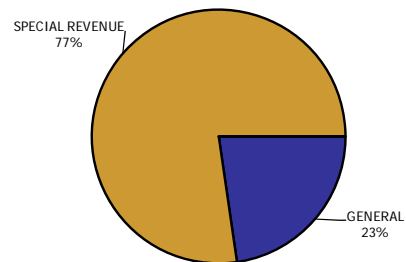
Expense by Division



Expense by Category



Expense by Fund

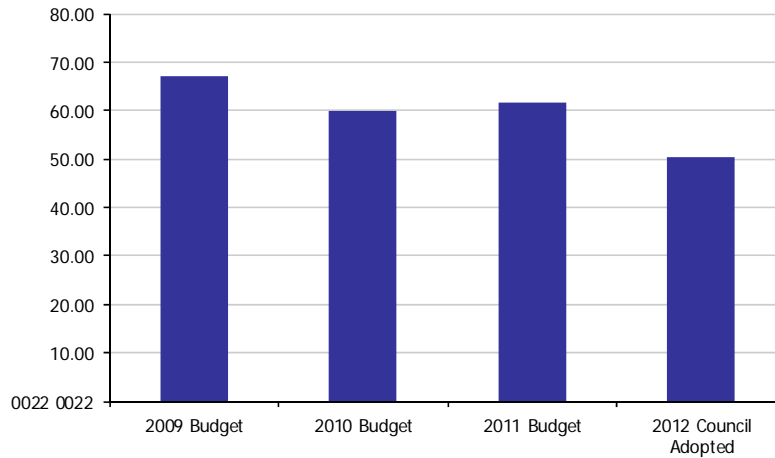


## HEALTH AND FAMILY SUPPORT

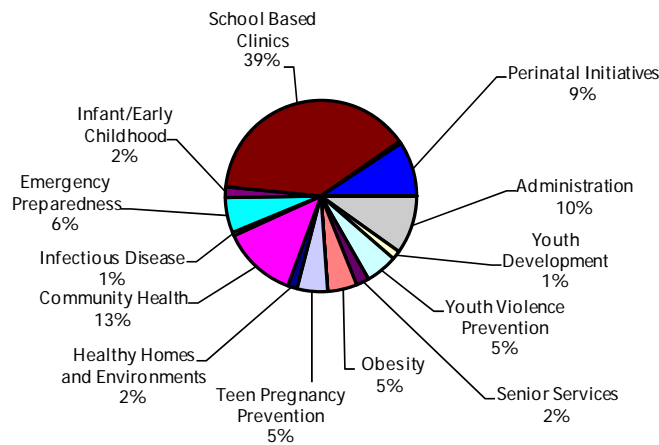
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
Infant/Early Childhood	1.50	1.50	0.50	0.90	80.0%	0.40
Youth Development	5.35	2.70	3.80	0.75	-80.3%	(3.05)
Healthy Homes and Environments	9.25			0.80		0.80
Teen Pregnancy Prevention	2.50	2.50	2.50	2.60	4.0%	0.10
School Based Clinics	20.75	21.50	20.00	19.50	-2.5%	(0.50)
Administration				4.95		4.95
Infectious Disease	7.00	8.00	6.80	0.30	-95.6%	(6.50)
Community Health	5.15	9.00	12.45	6.30	-49.4%	(6.15)
Youth Violence Prevention		1.80	1.65	2.70	63.6%	1.05
HEALTH AND FAMILY SUPPORT	2.00	3.00	2.00		-100.0%	(2.00)
Perinatal Initiatives	4.00	4.00	3.50	4.65	32.9%	1.15
Obesity	2.50	1.00	2.40	2.50	4.2%	0.10
Emergency Preparedness	4.00	3.00	4.10	3.00	-26.8%	(1.10)
Health Care Safety Net				0.20		0.20
Senior Services	3.00	2.00	2.00	1.10	-45.0%	(0.90)
<b>TOTAL</b>	<b>67.00</b>	<b>60.00</b>	<b>61.70</b>	<b>50.25</b>	<b>-18.6%</b>	<b>(11.45)</b>

### Positions 2009-2012



### Positions by Division



# INTERNAL AUDIT

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## MISSION

Internal Audit assists the City of Minneapolis achieve its objectives. It serves the City of Minneapolis and the public interest by providing the Mayor, City Council, and other City leaders and management with objective services to help minimize risks, improve internal controls, maximize efficiencies and effectiveness of operations, reduce cost, and strengthen accountability.

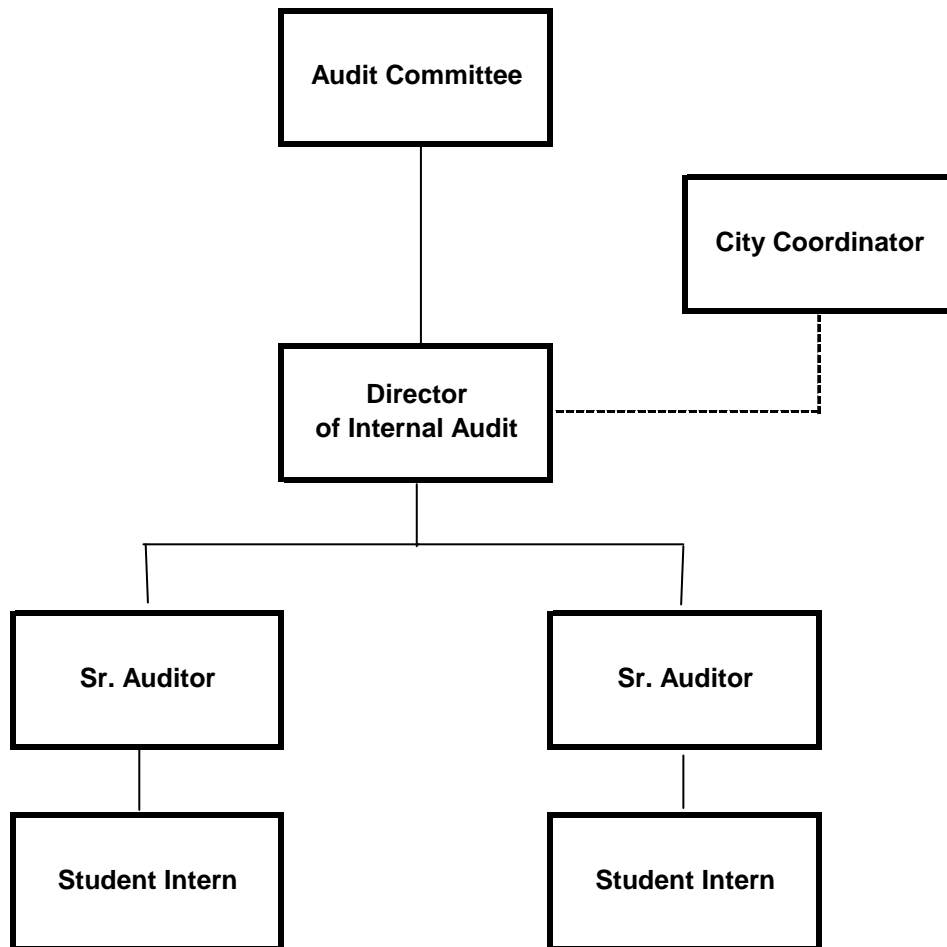
## BUSINESS LINES

### Powers and duties of the Internal Auditor

- The internal auditor shall:
  - 1) Establish guidelines, policies, and procedures for the conduct of periodic internal audits.
  - 2) Develop an annual audit plan to be submitted to the Audit Committee for approval.
  - 3) Conduct investigations of alleged or suspected impropriety, fraud, misappropriation, or other misuse of city funds, shall seek advice from the city attorney as appropriate and report any suspected criminal activity to appropriate law enforcement authorities.
  - 4) Appraise the Audit Committee on the adequacy of action taken by departments to correct report deficiencies.
  - 5) Implement a comprehensive audit plan to review and evaluate the adequacy and effectiveness of the city's internal system of financial controls to ensure:
    - a) The reliability and integrity of financial records and reports.
    - b) Compliance with policies, procedures, ordinances, rules and statutes related to expenditures and financial controls.
    - c) That assets are safeguarded from loss.
  - 6) Coordinate with external auditors and assist in the implementation of corrective actions recommended by external auditors as appropriate.
  - 7) Submit an annual report to the mayor and city council indicating audits completed, major findings, corrective actions taken by administrative managers, and significant findings which have not been fully addressed by management.
  
- The internal auditor may:
  - 1) Subject to the approval of the Audit Committee, conduct special reviews and programmatic reviews at the request of the mayor, city council, finance officer, city departments, boards and commissions.
  - 2) Provide assistance to city departments, boards and commissions for evaluation of financial controls. (2009-Or-190, § 4, 12-18-09)

# ORGANIZATION CHART

## City of Minneapolis Department of Internal Audit Organization Chart





## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### A City that Works

#### Internal Audit

General Fund: \$437,559

##### *Internal Audit*

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve City of Minneapolis (the City) operations. We help the City accomplish its goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Our responsibilities include: 1) financial reviews, 2) operational reviews (related to department operations), 3) compliance reviews (related to federal, State and local rules and regulations), 4) information technology (IT) reviews (related to system access, general controls, networks, databases and interfaces), 5) consulting and training services for internal controls enhancements, and 6) fraud investigations.

To perform our role effectively, Internal Audit is organizationally independent from management to enable unrestricted evaluation of organizational activities.

*Measure: Resident satisfaction rating of City services*

#### FINANCIAL ANALYSIS

##### EXPENDITURE

The Internal Audit Department's General Fund allocation increases by \$57,790 to \$437,559, or 15.2% in the Council Adopted Budget while reducing 0.5 FTE.

##### REVENUE

This department does not produce revenue.

##### FUND ALLOCATION

This department is funded entirely in the General Fund.

##### MAYOR'S RECOMMENDED BUDGET

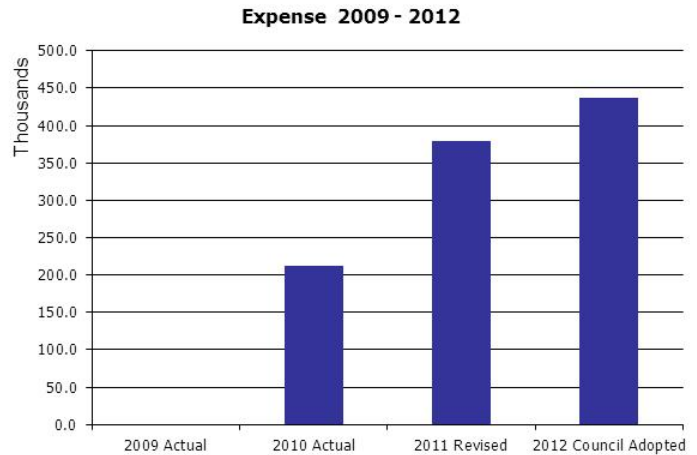
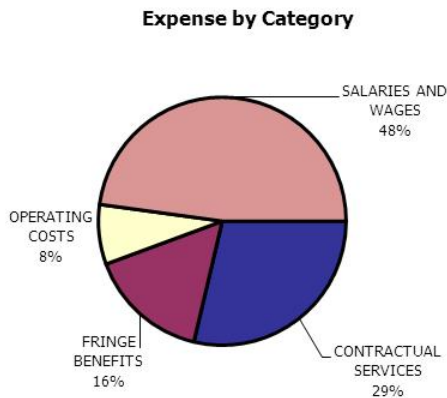
The Mayor recommended a reduction of 1 position.

##### COUNCIL ADOPTED BUDGET

The Council amended the Mayor's Recommended Budget by moving \$60,000 on a one-time basis from Employee Computing Mobility Program (BIS) to Internal Audit and restored 1 position in the Internal Audit Department to be hired mid-year for a total addition of 0.5 FTE for 2012.

## INTERNAL AUDIT EXPENSE AND REVENUE INFORMATION

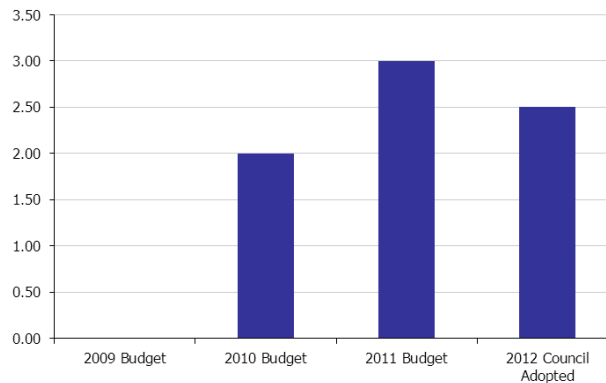
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES		85,016	43,660	125,542	187.5%	81,882
FRINGE BENEFITS		24,176	85,206	68,632	-19.5%	(16,574)
OPERATING COSTS		11,415	10,267	34,093	232.1%	23,826
SALARIES AND WAGES		91,824	240,636	209,292	-13.0%	(31,344)
<b>TOTAL GENERAL</b>		<b>212,431</b>	<b>379,769</b>	<b>437,559</b>	<b>15.2%</b>	<b>57,790</b>
<b>TOTAL EXPENSE</b>		<b>212,431</b>	<b>379,769</b>	<b>437,559</b>	<b>15.2%</b>	<b>57,790</b>



## INTERNAL AUDIT Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
Internal Audit		2.00	3.00	2.50	-16.7%	(0.50)
<b>TOTAL</b>		<b>2.00</b>	<b>3.00</b>	<b>2.50</b>	<b>-16.7%</b>	<b>(0.50)</b>

**Positions 2009-2012**



# MAYOR

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## MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

## BUSINESS LINES

### • Policy Development

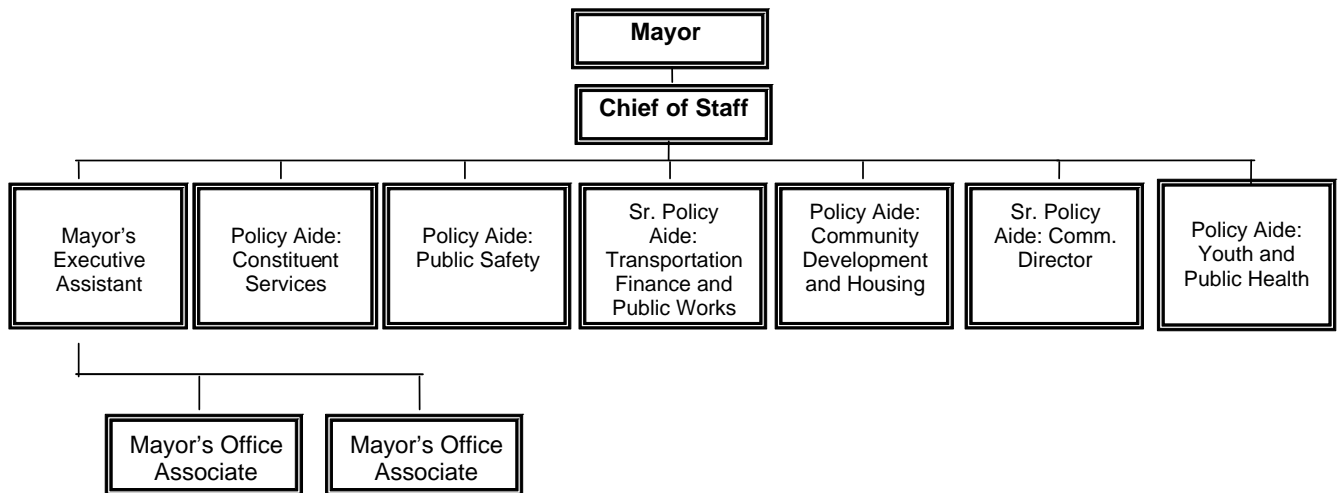
- Lead and support policy development that reflects the City's five-year goals.
- Partner with the City Council to develop and lead the strategic direction for the City.
- Develop responsible fiscal policies and an annual budget that reflects City's goals.
- Support the work of the City to provide better, more coordinated and responsive services.
- Ensure that the community is actively engaged as an active partner in City work.

### • Policy & Program Promotion

- Champion the innovations and successes of Minneapolis as a premier destination, a growing economic and cultural leader.
- Promote education excellence as the lynchpin to a successful city.

### • Policy & Program Implementation

- Nominate and support strong City department heads.
- Oversee the performance and accountability of the Police and Civil Rights departments.
- Through *Results Minneapolis* as well as department head evaluations, ensure that the City enterprise is accountable for results.



**Mayor's Office Policy**

General Fund: \$730,212

*Mayor*

This program leads strategic policy development and supports policy implementation based on the five City goals.

*Measure:* Resident satisfaction rating of City services

**Mayor's Administration**

General Fund: \$817,976

*Mayor*

This program will assist in developing and leading the strategic direction for the city and support functions needed to do this. It will be in charge of nominating and supporting strong department heads, overseeing the performance and accountability of the Police and Civil Rights department, and will develop responsible fiscal policies and an annual budget that reflects the City's goals.

*Measure:* Resident rating on providing value for your tax dollars

**FINANCIAL ANALYSIS****EXPENDITURE**

The Mayor's 2012 budget is \$1.5 million, a 1.0% increase from the 2011 revised budget.

**REVENUE**

The department receives no revenues.

**FUND ALLOCATION**

The department is funded 100% in the general fund.

**MAYOR'S RECOMMENDATION**

The Mayor recommended a \$15,000 ongoing, and a \$45,000 one time cut from 2011 spending levels to the Mayor's Administration program.

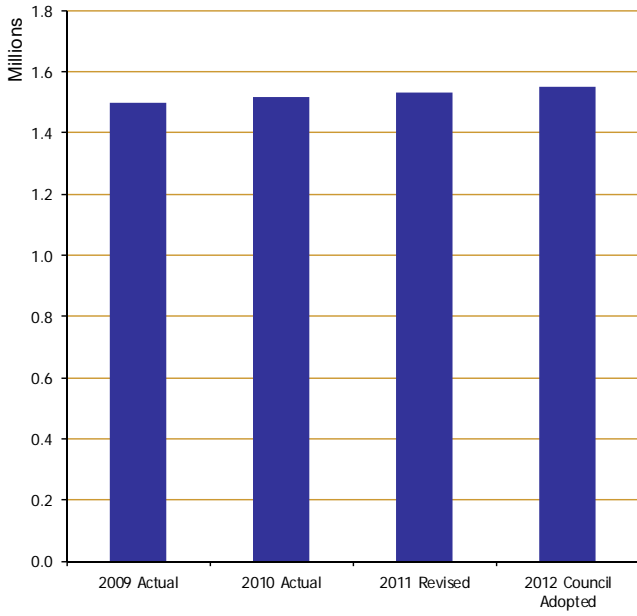
**COUNCIL ADOPTED BUDGET:**

Council approved the Mayor's recommendations.

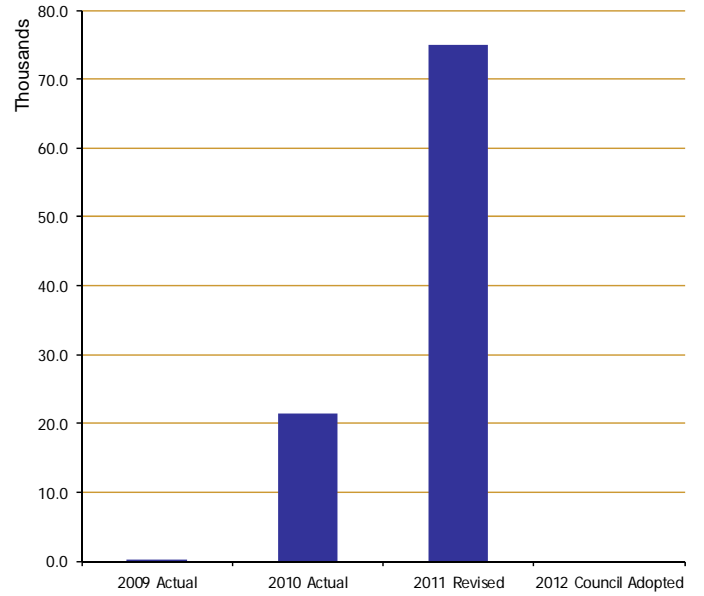
## MAYOR EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES	288,551	285,334	282,650	261,651	-7.4%	(20,999)
FRINGE BENEFITS	212,361	205,013	208,272	260,338	25.0%	52,065
OPERATING COSTS	264,154	296,084	297,876	339,058	13.8%	41,182
SALARIES AND WAGES	734,281	706,654	668,982	687,142	2.7%	18,159
<b>TOTAL GENERAL</b>	<b>1,499,348</b>	<b>1,493,086</b>	<b>1,457,780</b>	<b>1,548,188</b>	<b>6.2%</b>	<b>90,408</b>
<b>SPECIAL REVENUE</b>						
FRINGE BENEFITS		3,746	(0)		-100.0%	0
OPERATING COSTS			14,467		-100.0%	(14,467)
SALARIES AND WAGES		20,021	60,533		-100.0%	(60,533)
<b>TOTAL SPECIAL REVENUE</b>		<b>23,767</b>	<b>75,000</b>		<b>-100.0%</b>	<b>(75,000)</b>
<b>TOTAL EXPENSE</b>	<b>1,499,348</b>	<b>1,516,853</b>	<b>1,532,780</b>	<b>1,548,188</b>	<b>1.0%</b>	<b>15,408</b>
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	188				0%	0
<b>TOTAL GENERAL</b>	<b>188</b>				<b>0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS		21,426			0%	0
FEDERAL GOVERNMENT			75,000		-100.0%	(75,000)
<b>TOTAL SPECIAL REVENUE</b>		<b>21,426</b>	<b>75,000</b>		<b>-100.0%</b>	<b>(75,000)</b>
<b>TOTAL REVENUE</b>	<b>188</b>	<b>21,426</b>	<b>75,000</b>		<b>-100.0%</b>	<b>(75,000)</b>

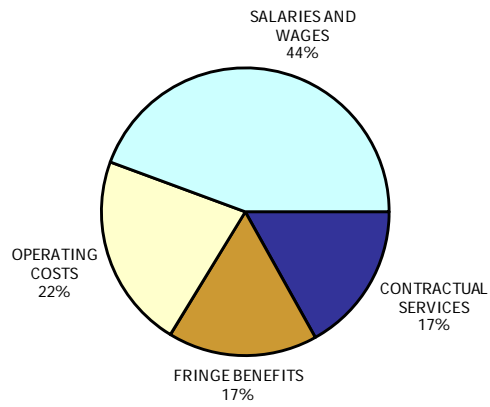
**Expense 2009 - 2012**



**Revenue 2009 - 2012**



**Expense by Category**

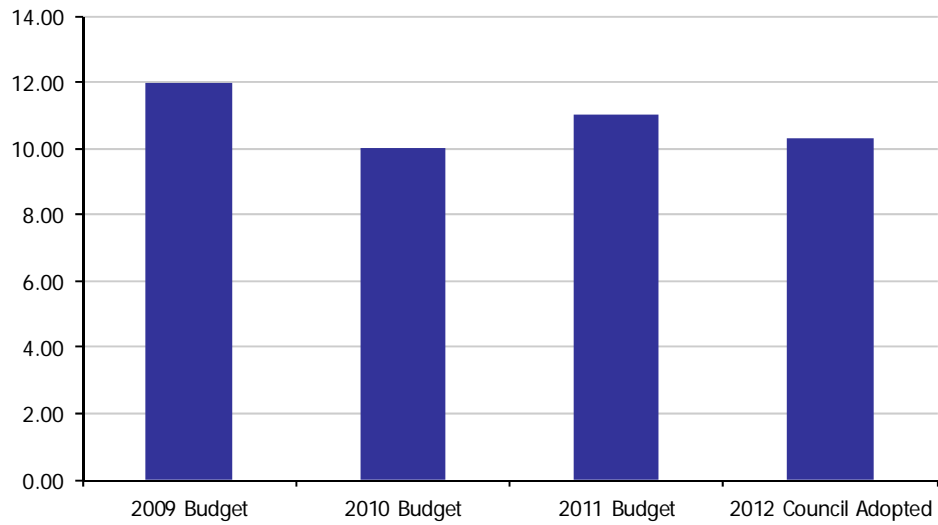


# MAYOR

## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
MAYOR - ADMINISTRATION	12.00	10.00	11.00	11.00	0.0%	0.00
<b>TOTAL</b>	<b>12.00</b>	<b>10.00</b>	<b>11.00</b>	<b>11.00</b>	<b>0.0%</b>	<b>0.00</b>

## Positions 2009-2012



## POLICE

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### MISSION

Working with our diverse communities to safeguard the lives and property of the people we serve, to reduce the incidence and fear of crime, and to enhance public safety.

### BUSINESS LINES

The Minneapolis Police Department has three business lines, focused on the strengths of each individual bureau's responsibilities.

#### Patrol Bureau Business Line

- **Precincts** – Patrol (911 Response, Directed Patrol), Investigations, Community Response Teams (CRT), Mounted Patrol and Crime Prevention Specialists.
- **Special Operations Division** – Emergency Preparedness Unit : PAL, Special Events; Emergency Services Unit: Bomb/Arson, Crisis Negotiations, SOD Patrol, SWAT; Special Operations Unit: Canine, Public Housing, Traffic Accident Investigations.

#### Investigations Bureau Business Line

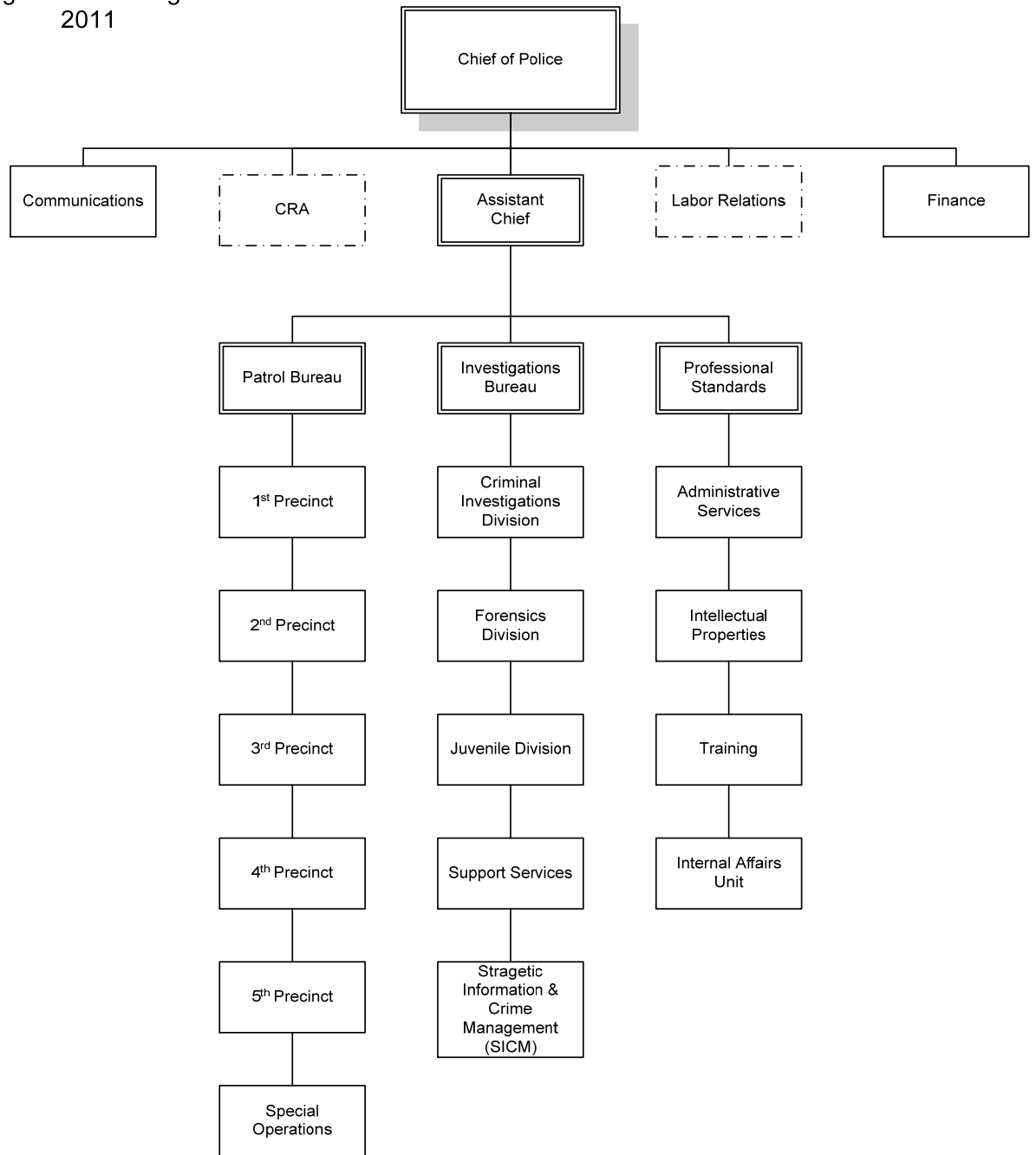
- **Criminal Investigations Division** – Child Abuse, Domestic Assault, Financial Crimes Unit, Joint Terrorism Task Force (JTTF), Homicide/Violent Criminal Apprehension Team (VCAT)/Auto Theft Prevention (ATP), Robbery/Assault, Sex Crimes/Predatory Offender Registration, and Safe Streets Task Force, DEA Task Force.
- **Forensics Division** – Crime Lab - Field Operations, Firearms/Toolmark, Forensic Garage, Photo Lab, and MAFIN.
- **Juvenile Division** – Juvenile Investigations and School Resource Officer Program.
- **Strategic Information and Crime Management (SICM)** – Crime Analysis, Gang Enforcement Team, I-Care, and Weapons.
- **Support Services** – Criminal History, Property and Evidence, and Transcription.



## **Professional Standards Bureau**

- **Administrative Services** – Backgrounds Unit, Business Technology and Support, Court Liaison, Fleet, Health & Wellness, Police Stores, and Research & Policy Development.
- **Internal Affairs Unit**
- **Training** – Academy, Community Service Officer (CSO) Program, In-Service, and Pre-Service.

MPD  
Org Chart for Budget  
2011



**MPD Emergency Response Services**

General Fund: \$7,970,957

*Police*

Other Funds: \$165,000

The Emergency Response Services Program is designed to deliver specialized response assets to support the patrol mission. Officers assigned to within this program area have each undergone specialized training and are equipped with state of the art equipment which allows them to effectively respond to rapidly evolving, unexpected police emergencies which might otherwise result in substantial loss of life and/or property damage.

The Emergency Response Program consists of SOD Patrol officers, the SWAT function, the Bomb/Arson Unit, Special Events/Dignitary Protection, Police Reserves, and Homeland Security/Emergency Preparedness.

Each element of this highly tactical and flexible force increases and enhances the response capabilities of patrol. It is cost prohibitive to train all MPD officers to use the equipment and maintain the skill set of officers assigned to these functions. Although these elements are not used on a daily basis when they are called into action the specialized services they deliver help to dramatically reduce the risk to 911 responders and citizens.

*Measure: Response times*

**MPD Public Safety Services**

General Fund: \$85,523,091

*Police*

Other Funds: \$3,413,271

When life or property is in peril, citizens rely on the protection of the primary first responders whose chief responsibility is maintaining law and order and restoring peace when public safety is threatened. Services provided within this program are truly the "backbone" of the Minneapolis Police Department.

The Public Safety Services program is comprised of several components: 911 Responders from the precincts which include regular Patrol, Directed Patrol, Traffic Enforcement, Mounted Patrol and Canine Unit; and the Investigative Units from the precincts which include Accident Investigations, Property Crimes, Community Response Teams (CRT), Gang Enforcement Team (GET), Indian Crime Awareness Research & Evaluation, and Licensing.

*Measure: Resident Survey – sense of safety*

**MPD Administration and Training**

General Fund: \$9,545,625

*Police*

Other Funds: \$1,400,000

The Administration and Training program is the managerial hub for the Minneapolis Police Department. This program includes the Office of the Chief of Police; Financial Operations; the Professional Standards Bureau and the department's Support Services functions.

*Measure: Resident Survey – sense of safety*

**MPD-Criminal Investigations Division**

General Fund: \$17,383,053

*Police*

Other Funds: \$1,211,000

The Criminal Investigations program includes two major components – the Criminal Investigations Division and the Forensics Division/Crime Lab.

They are responsible for the collection and analysis of evidence, taking statements from victims, suspects and witnesses, preparing cases for prosecution, presenting cases to the Hennepin County Attorney’s Office and other prosecutorial agencies for prosecution, and providing testimony in criminal cases. They work collaboratively with community based advocacy organizations, victim's groups such as the Crime Victims Reparations Board, and professionals in related public service agencies such as Child Protection, the Medical Examiner's Office.

*Measure: Resident Survey – sense of safety*

**MPD Juvenile Investigations and Prevention**

General Fund: \$4,287,516

*Police*

The Juvenile Investigations & Prevention program is made up of several components: the Juvenile Investigations & Juvenile Criminal Apprehension Team (JCAT); the Juvenile School Resource (SRO) Program; and the Police Activities League (PAL).

The Juvenile Investigations Division works in collaboration with other Departments and agencies on the investigation of juvenile offenses as well as interdiction and prevention of juvenile related crime. Investigators handle hundreds of cases each year.

*Measure: Resident Survey – sense of safety*

**MPD Criminal Intelligence and Analysis**

General Fund: \$2,972,039

*Police*

Other Funds: \$338,567

The Strategic Information and Crime Management (SICM) Unit coordinates the flow of information related to crime and crime prevention city wide. SICM, which is comprised of both sworn and non-sworn personnel, is composed of two major components:

The Crime Analysis Unit is focused on presenting crime data in a geo-spatial format so that police commanders can make sound decision on the deployment of resources to address emerging crime patterns and prevent future crimes from occurring. The Crime Analysis Unit is also responsible for all aspects of the mandatory reporting of official crime statistics to the state and federal authorities.

The Strategic Information Center (SIC), located at the Emergency Operations Training Facility, collects, analyzes, and disseminates criminal intelligence information to the Minneapolis Police Department and numerous partner agencies. The staff at the SIC focus on support to investigations in the form of traditional criminal intelligence and link analysis, and on providing real time information to patrol officers to promote better decision making and enhance officer safety on the street.

The SIC also provides real time situational awareness to the Emergency Operations Center (EOC) in the event of an activation. Because the SIC is co-located with the EOC it is uniquely positioned to provide this service.

*Measure: Adult Part I crime*

## **MPD Community Engagement**

### *Police*

General Fund: \$332,602

Other Funds: \$884,000

The Community Engagement Program is comprised of two components – Community Crime Prevention and a Community Engagement Team.

Each precinct is served by several crime prevention specialists. They develop working relationships with neighborhoods to reduce the fear of crime, improve community and police cooperation and improve the quality of life in Minneapolis. They accomplish this by:

- Recruiting and training block leaders to get block clubs and neighborhood watch groups started
- Teaching crime identification and prevention techniques and how to inform police when illegal or suspicious behavior is occurring
- Presenting safety and educational materials and neighborhood livability information to the public
- Publishing and distributing crime alerts
- Promoting National Night Out
- Resolving complaints about problem properties
- Responding to crime trends

*Measure: Deaths, injuries and property losses related to safety*

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Police budget is \$135.4 million, a 0.3% increase from the 2011 revised budget. Personnel expenses make up about 78% of the total budget. Non-personnel expenses make up about 22% of the total budget. Expenses for self-insurance, parking, building rent, fleet rent/repair, phones, and radio communications are paid to the City's internal service funds and make up the majority of non-personnel expense.

The remainder of the expenses covers uniform allowance, translator fees, training, supplies, and jail fees. Federal funding makes up 3% of the police budget, including funding for 13 officers from the COPS Hiring Grant. Other grants make up 2% of the police budget. These grant funds are for personnel including overtime, equipment, training, contractual services, operating costs etc.

### **REVENUE**

The department's revenue for 2012 is approximately \$15.98 million, an 8% decrease from 2011. Federal and state government aid is the largest source of department revenue. The general fund revenue budget receives about \$4.4 million in state aid to offset PERA pension costs. The revenue budget in the MPD Federal grants is \$4.3 million which includes City Attorney's expenses in two Federal grants. The department's police special

revenue fund makes up about 1.4% of the total revenue budget. It accounts for forfeitures, lawful gambling tax, the Automated Pawn System, Workforce Director, and reimbursable services such as the detox van, bomb sweeps at sporting events and police overtime for snow emergencies. Public housing patrol services and school liaison, which had been part of the special revenue fund, are reflected in the general fund.

#### FUND ALLOCATION

The majority (95%) of the department's expenditure budget comes from the general fund. The remainder comes out of the police special revenue fund, state, federal and other grants. The department will receive \$884,000 in CDBG dollars in 2012.

#### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a reduction of 24 FTE including 2 managerial positions and 17 officers. Sworn positions shall be reduced through attrition and reassignment.

The Mayor recommended a total general fund budget of \$128.015 million for the Police Department. The recommendations included \$4.42 million in reductions to growth including:

- \$1.16 million, including 12 FTE (5 non-sworn and 7 sworn) from the Community Engagement Program.
- \$1.76 million, including 3 FTE, overtime and non-personnel reductions to contractual services (including fleet) from all programs, including personnel reductions in Administration and Training program and overtime reductions in Criminal Investigations Program.
- \$1.51 million including 9 FTE and non-personnel savings in the Public Safety Services Program.

#### COUNCIL ADOPTED BUDGET

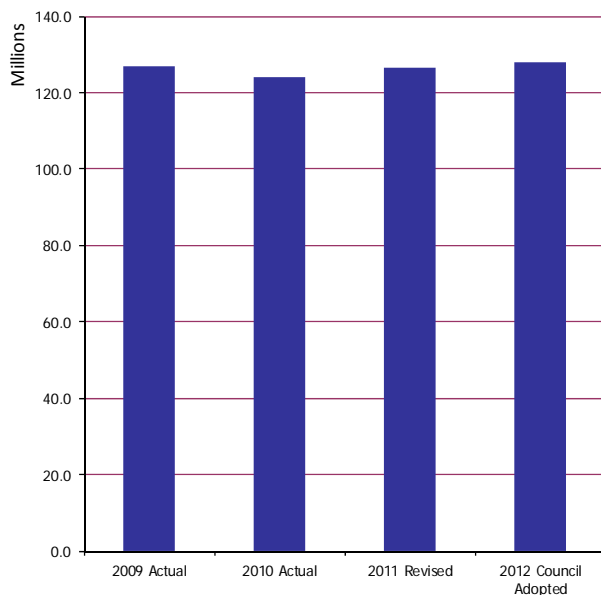
Council adopted the Mayor's Recommendation and as well as the following staff directions:

- MPD is directed to use a portion of their 2011 unused contingency to retain Community Crime Prevention Specialists.
- MPD is directed to provide a staffing update to the Public Safety, Civil Rights and Health and Ways & Means/Budget Committees by April 15, 2012, to allow effective workforce planning for the 2013 budget. The plan should include positions that are not required to be performed by sworn staff, an ongoing funding plan for Community Crime Prevention Specialists; and an ongoing funding plan for sworn officer hiring.
- MPD and Health are directed to report results on Youth Violence Prevention efforts to Results Minneapolis, including juvenile crime statistics, broken down by gang affiliation.
- MPD should report back to the Regulatory, Energy and Environment and Ways & Means Committees by January 31, 2012, with a plan to ensure that salaries of MPD staff whose job duties that engage in regulatory functions are paid for out of license fees, not general funds.
- On a one time basis, MPD is directed to transfer up to \$317,000 of their 2011 unused contingency to the City Attorney to retain the Domestic Assault Prosecution Partnership in 2012.
- On a one time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.
- MPD is directed to use the department's 2011 budget savings to fund a \$31,000 City contribution to the St. Anthony Falls Heritage Board and a \$50,000 City contribution to the Mississippi Riverfront Partnership.

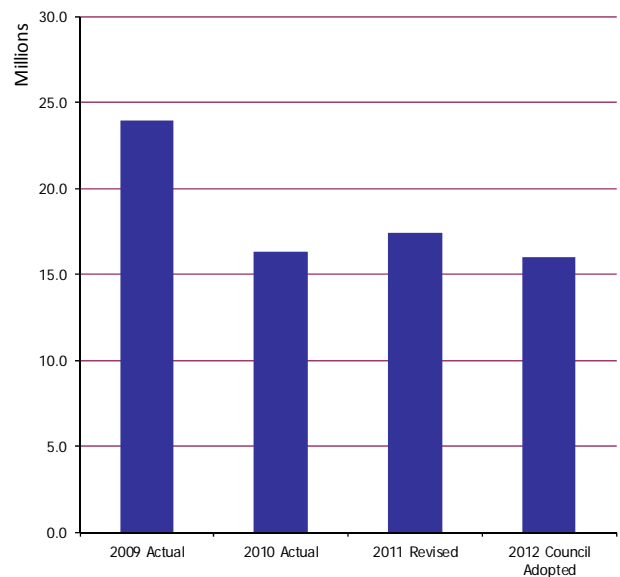
## POLICE EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(381,892)	(31,903)			0.0%	0
<b>TOTAL AGENCY</b>	<b>(381,892)</b>	<b>(31,903)</b>			<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CAPITAL	131,942		100,585	27,816	-72.3%	(72,769)
CONTRACTUAL SERVICES	17,631,456	16,380,781	17,451,031	16,583,228	-5.0%	(867,803)
FRINGE BENEFITS	25,885,470	26,602,344	27,670,581	27,928,969	0.9%	258,388
OPERATING COSTS	8,323,107	7,931,026	9,181,460	9,665,108	5.3%	483,648
SALARIES AND WAGES	74,920,285	73,107,095	72,249,342	73,809,763	2.2%	1,560,420
<b>TOTAL GENERAL</b>	<b>126,892,261</b>	<b>124,021,246</b>	<b>126,653,000</b>	<b>128,014,884</b>	<b>1.1%</b>	<b>1,361,884</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	130,369	196,023			0.0%	0
CONTRACTUAL SERVICES	1,963,242	1,156,017	2,114,159	2,048,921	-3.1%	(65,238)
FRINGE BENEFITS	1,600,395	1,320,428	1,002,738	787,592	-21.5%	(215,146)
OPERATING COSTS	1,325,109	530,937	1,213,539	1,739,075	43.3%	525,536
SALARIES AND WAGES	5,576,255	5,171,906	4,011,035	2,836,249	-29.3%	(1,174,785)
<b>TOTAL SPECIAL REVENUE</b>	<b>10,595,370</b>	<b>8,375,311</b>	<b>8,341,470</b>	<b>7,411,837</b>	<b>-11.1%</b>	<b>(929,633)</b>
<b>TOTAL EXPENSE</b>	<b>137,105,739</b>	<b>132,364,654</b>	<b>134,994,470</b>	<b>135,426,721</b>	<b>0.3%</b>	<b>432,251</b>

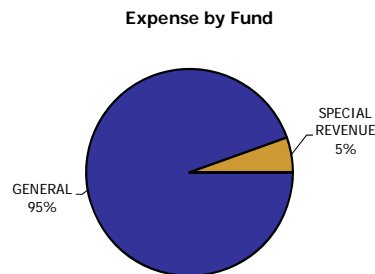
Expense 2009 - 2012



Revenue 2009 - 2012

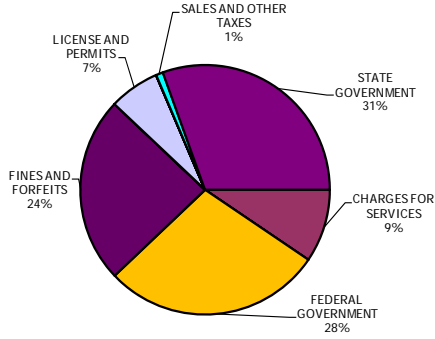


REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
GAINS	1,611				0.0%	0
LONG TERM LIABILITIES PROCEEDS	(1,611)				0.0%	0
<b>TOTAL AGENCY</b>					<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CHARGES FOR SALES	2,212	1,651			0.0%	0
CHARGES FOR SERVICES	333,307	332,457	1,690,238	1,098,238	-35.0%	(592,000)
FEDERAL GOVERNMENT		22,634			0.0%	0
FINES AND FORFEITS	8,153,561	2,949,278	3,837,000	3,323,971	-13.4%	(513,029)
LICENSE AND PERMITS		20,676			0.0%	0
OTHER MISC REVENUES	30,595	10,300	3,270	3,270	0.0%	0
SALES AND OTHER TAXES	1,567				0.0%	0
STATE GOVERNMENT	4,443,294	4,419,061	4,440,000	4,440,000	0.0%	0
<b>TOTAL GENERAL</b>	<b>12,964,536</b>	<b>7,756,057</b>	<b>9,970,508</b>	<b>8,865,479</b>	<b>-11.1%</b>	<b>(1,105,029)</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SALES		1,440			0.0%	0
CHARGES FOR SERVICES	1,935,618	2,003,041	290,000	415,000	43.1%	125,000
CONTRIBUTIONS	45,585	32,865			0.0%	0
FEDERAL GOVERNMENT	5,985,532	3,863,516	4,484,632	4,542,733	1.3%	58,101
FINES AND FORFEITS	584,969	889,133	652,000	535,000	-17.9%	(117,000)
INTEREST	7,358	3,941			0.0%	0
LICENSE AND PERMITS	973,508	904,651	1,025,000	1,040,000	1.5%	15,000
LOCAL GOVERNMENT	26,233	27,561			0.0%	0
OTHER MISC REVENUES	35,022	12,842	30,000		-100.0%	(30,000)
SALES AND OTHER TAXES	141,806	143,752	140,000	145,000	3.6%	5,000
STATE GOVERNMENT	1,215,963	656,699	791,811	433,000	-45.3%	(358,811)
<b>TOTAL SPECIAL REVENUE</b>	<b>10,951,594</b>	<b>8,539,440</b>	<b>7,413,443</b>	<b>7,110,733</b>	<b>-4.1%</b>	<b>(302,710)</b>
<b>TOTAL REVENUE</b>	<b>23,916,130</b>	<b>16,295,497</b>	<b>17,383,951</b>	<b>15,976,212</b>	<b>-8.1%</b>	<b>(1,407,739)</b>

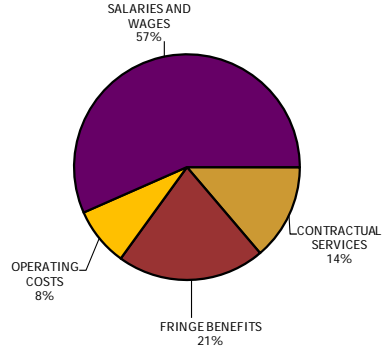




**Direct Revenue by Type**



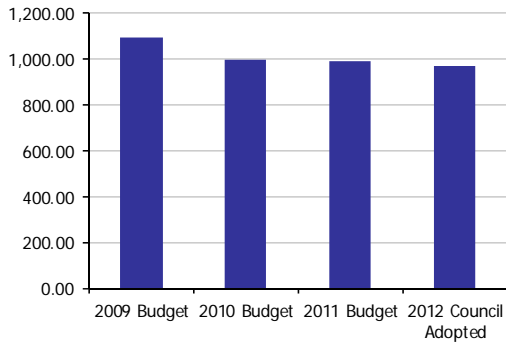
**Expense by Category**



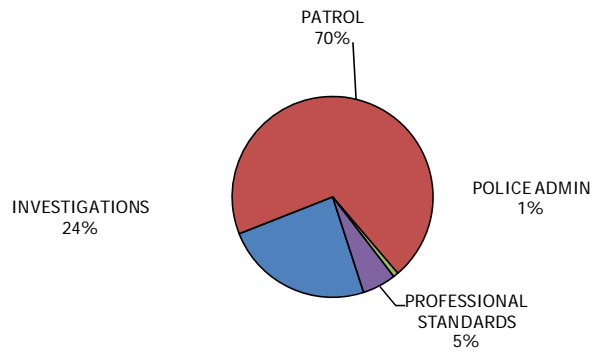
**Staffing Information**

Expense	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
INVESTIGATIONS	259.50	247.70	247.75	232.55	-6.1%	(15.20)
PATROL	688.00	688.00	680.75	674.75	-0.9%	(6.00)
POLICE ADMINISTRATION	13.00	9.00	9.00	8.00	-11.1%	(1.00)
PROFESSIONAL STANDARDS	131.50	54.50	54.50	52.50	-3.7%	(2.00)
<b>TOTAL</b>	<b>1,092.00</b>	<b>999.20</b>	<b>992.00</b>	<b>967.80</b>	<b>-2.4%</b>	<b>(24.20)</b>

**Positions 2009-2012**



**Positions by Division**



# PUBLIC WORKS

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**MISSION**

To be effective stewards of the public infrastructure & provide valued city services that contribute to public safety, economic vitality & neighborhood livability in Minneapolis.

**BUSINESS LINES**

**Internal Services**

The Internal Services business line is comprised of services that are provided primarily to internal City departments & are funded mostly within formal Internal Service funds. Fees for these services are intended to recover the costs incurred for providing each service. Fleet Services is a division in the Internal Services business line, as well as smaller divisions Engineering Materials & Testing and Traffic Stores.

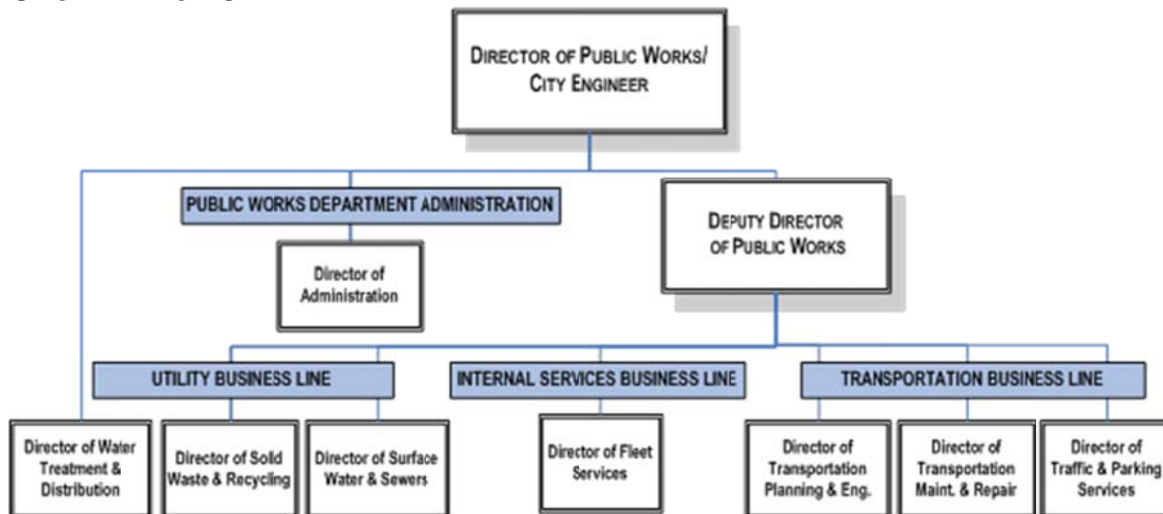
**Utilities**

This business line provides services that promote the health & safety of people & property by providing potable water, managing non-potable water, & maintaining a clean city through the collection & disposal of solid waste, recyclables, problem materials, yard waste, & coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water & Sewers, Water Treatment & Distribution, & Solid Waste & Recycling Services.

**Transportation**

The Transportation Business Line within the Department of Public Works exists to offer people a variety of safe, convenient options for moving throughout the City & within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people & goods. The three divisions in the Transportation business line are Traffic & Parking Services, Transportation Planning & Engineering, & Transportation Maintenance & Repair.

**ORGANIZATION CHART**



## PROGRAM DESCRIPTIONS

### GOAL: A Safe Place to Call Home

#### **Clean City, Graffiti Removal**

Other Funds: \$1,032,821

##### *Public Works*

Remove graffiti, or cause graffiti to be removed from structures in the City; coordinate information with the Police Gang Unit and the Graffiti Officer.

*Measure: Resident Survey, Sense of Safety*

#### **Minneapolis Impound Lot**

Other Funds: \$5,854,454

##### *Public Works*

The Minneapolis Impound Lot, operated by the Traffic and Parking Division of the Public Works Department, is responsible for towing, storing and processing vehicles removed by law enforcement in accordance to applicable City ordinances and State statutes. It also auctions off unclaimed vehicles through public and dealer auctions, and offers such services to other City departments and divisions whenever needed.

*Measure: Resident Survey, satisfaction with City Services*

#### **Clean City, non-graffiti activities**

Other Funds: \$1,525,422

##### *Public Works*

Perform activities that relate to a Clean City, Minneapolis. These include cleaning Dirty Collection areas, including those that present a danger to public health and safety; maintaining litter containers; conducting, in partnership with Neighborhoods, Clean Sweeps; conducting anti-litter education programs

*Measure: Resident Survey, Sense of Safety*

#### **Equipment Operations, Solid Waste & Recycling**

Other Funds: \$5,410,290

##### *Public Works*

Provide all rolling equipment and various goods and services required to operate the various programs in Solid Waste and Recycling Services

*Measure: Residents who reported they are 'satisfied' or 'very satisfied' with garbage and recycling services*

#### **Garbage Collection**

Other Funds: \$13,957,460

##### *Public Works*

Perform garbage collection services to all residential properties of 4 or less dwelling units, all townhouse properties as described in Minneapolis Ordinance and all commercial properties requesting this service.

*Measure: Residents who reported they are 'satisfied' or 'very satisfied' with garbage and recycling services*

**Source Separated Organics Collections and composting** Other Funds: \$704,526

*Public Works*

Collect Source Separated Organics from designated customers of Solid Waste and Recycling Services; expand program as directed

*Measure: Tonnage of all solid waste collected*

**Problem Materials Collection** Other Funds: \$1,852,948

*Public Works*

Perform collection, processing, and marketing of recyclable hulks of metal items, white goods and electronic items from Solid Waste and Recycling (SW&R) customers

*Measure: Tonnage of all solid waste collected*

**Recyclables Collection** Other Funds: \$4,447,704

*Public Works*

Perform recyclables collection services to all residential properties of 4 or less dwelling units, all townhouse properties as described in Minneapolis Ordinance and all commercial properties requesting this service; ensure that all collected recyclables are properly processed and marketed for beneficial use.

*Measure: Residents who reported they are 'satisfied' or 'very satisfied' with garbage and recycling services*

**Operate City Transfer Stations and Voucher Facilities** Other Funds: \$1,037,964

*Public Works*

Operate the City Transfer Stations (North and South) for Customer Voucher programs, Emergency waste services, emergency neighborhood waste relief and other permitted functions.

*Measure: Residents who reported they are 'satisfied' or 'very satisfied' with garbage and recycling services*

**Yard Wastes Collection** Other Funds: \$2,910,914

*Public Works*

Perform yard wastes collection services to all residential properties of 4 or less dwelling units, and all other SW & R customers requesting this service; ensure that yard wastes are properly composted in accordance with Federal, state and county rules, provide limited finished compost to Minneapolis Community Gardens. In 2012 all customers will be provided with Yard Waste Carts, in compliance with the State ban on plastic yard wastes bags.

*Measure: Tonnage of all solid waste collected*

GOAL: Eco-Focused

**Stormwater - Street Cleaning**

Other Funds: \$8,056,162

*Public Works*

The Street Cleaning Program mitigates surface water runoff pollution and addresses general cleanliness of all City streets and alleys. Street and alley sweeping helps remove pollutants before they enter the City's water bodies helping protect these important natural resources.

The City is under regulatory mandates to perform two annual, citywide street sweeps. This is accomplished by an annual spring street and alley sweep, and a fall street sweeping and leaf collection program. These are done with enforcement of no-parking rules in order to provide complete curb-to-curb cleaning. The full Street Cleaning Program also includes biweekly commercial corridor and parkway sweeping, general street sweeping during the summer season, and other street and alley sweeping on a complaint or as-needed basis. Street sweeping in downtown and commercial corridors may also be completed in the winter as conditions permit.

This program also supports storm response debris removal and cleaning from streets and alleys, parade and other event pre and post cleanup from streets and the public right-of-way, and responding to general trash, debris or other materials that are illegally left or dumped in the public right-of-way. The activities complement the storm and surface water programs of the Surface Water & Sewers Division of Public Works, and play a vital role in providing clean waters, inviting commercial corridors and livable neighborhoods in Minneapolis

*Measure: Number of impaired water bodies*

GOAL: Jobs & Economic Vitality

**Special Service Districts including DID**

General Fund: \$745,080

*Public Works*

Other Funds: \$5,800,000

To provide service delivery and administrative support for 16 Council adopted Special Service Districts in Minneapolis. This includes the Downtown Improvement District Special Service District that is commonly called the DID.

*Measure: Increase number of new businesses while retaining existing businesses*

**On-street Parking**

Other Funds: \$3,808,980

*Public Works*

The On-street Parking program is designed to leverage existing public right-of-ways to provide safe, accessible and affordable short-term parking in a manner that encourages economic growth while protecting the interest of local residents. The program utilizes parking meters and special permits to achieve its goals. On-street car sharing programs and pay-by-phone payment options will be explored without any budgetary impact.

*Measure: Increase number of new businesses while retaining existing businesses*

GOAL: Livable Communities, Healthy Lives

**Transportation Planning and Management**

General Fund: \$2,748,884

*Public Works*

Other Funds: \$426,823

Transportation Planning and Management develops and coordinates policies and actions to promote a safe, efficient and integrated multi-modal transportation system, safe and well maintained public infrastructure and community connectedness. Transportation Planning involves long-range planning, participation in regional transportation planning initiatives such as light rail, local bus and bus rapid transit corridors along with representing the City on policy boards and technical and advisory committees. This program also encompasses Minneapolis' long-range planning related to the Minneapolis-St. Paul International Airport. Locally, this program includes:

- developing and implementing the Access Minneapolis 10-year Transportation Action Plan which includes the following policy documents: Downtown Action Plan, Citywide Action Plan, Pedestrian Master Plan, Bicycle Master Plan and related supporting documents, the Street and Sidewalk Design Guidelines and Streetcar Planning Reports and Studies,
- planning and programming the 5-year Capital Improvement Program,
- conducting Location and Design Review,
- staffing the Capital Long-Range Improvement Committee and the CPED Development Infrastructure Program,
- assessing the City's pavement condition,
- managing the City's Municipal State Aid system and related funding,
- implementing Special Assessments,
- monitoring and inspecting the City's bridges,
- managing and administering utility connections, and
- administering the public right-of-way using local and regional policies as guidance.

*Measure: Resident survey "perceived change in livability"*

**Bridge Maintenance & Repair**

General Fund: \$2,548,799

*Public Works*

To provide basic maintenance and repair services on over 600 City vehicular, pedestrian and other bridges. Provide support for the Bridge Inspections and construction unit of the Public Works transportation Planning & Engineering Division of Public Works.

*Measure: Resident Survey "perceived change in livability"*

**Malls & Plazas**

General Fund: \$1,468,858

*Public Works*

To provide basic maintenance and repair services on all green spaces, mini-malls and plazas and bike trails in the public right-of-way throughout the City. This includes both summer mowing and turf care, cleaning and litter/debris collection, landscape maintenance, and any structural, lighting and other maintenance needs as appropriate, as well as winter snow and ice control services. It includes 180 acres of green space requiring various levels

of service from the high end plazas to boulevards, medians and open areas along streets and highways.

*Measure: Resident Survey "perceived change in livability"*

### **Ramp Maintenance & Repair**

General Fund: \$2,545,935

#### *Public Works*

This program is within the general fund but functions like an internal service as it supports the operations of a group of State and City owned parking ramps and lots. Activities performed include minor concrete patching, crack sealing, caulking, concrete surface sealing and other preventative maintenance; annual cleaning including power washing and full pressure washes and/or flood rinses, surface treatments, painting, minor structural repairs, brick work, parking lot repairs, cleaning, plumbing, electrical, striping, signage and assistance with capital projects.

*Measure: Modeshare - Percent of trips made in single occupancy vehicles*

### **Snow and Ice Control**

General Fund: \$11,382,903

#### *Public Works*

To provide snow and ice control, as well as other winter maintenance basic services on City streets, alleys, bridges and public sidewalks.

*Measure: Resident Survey "perceived change in livability"*

### **Street Maintenance & Repair**

General Fund: \$8,444,587

#### *Public Works*

To provide basic maintenance and repair services on over 1,000 miles of City streets and Parkways, 400 miles of alleys. This program includes general pothole and other patch and repair, preventative maintenance such as crack sealing and seal coating, utility cut restoration, and other pavement related repairs.

*Measure: Pavement Condition Index (PCI)*

### **Street Lighting**

General Fund: \$6,482,585

#### *Public Works*

Operate and maintain the existing 40,000 street lights that include both city metal pole lights (15,000) and Xcel wood pole lights (25,000). Key activities include electricity, replacing bulbs and ballasts, infrastructure maintenance of fixtures and poles, and responding to crash damages.

*Measure: Resident Survey "perceived change in livability" - adequate street lighting in my neighborhood*

**Traffic**

General Fund: \$6,934,306

*Public Works*

Other Funds: \$375,311

Operate and maintain the existing traffic control devices (800 signals, 100,000 traffic signs and numerous pavement markings), their related infrastructure components and the necessary traffic management activities. Key activities include infrastructure maintenance of fixtures and poles, response to and repair of crash damages, the central traffic signal computer and its communication system, traffic crash and other data bases, Gopher One-Call locating, traffic safety analyses & studies, monitoring the traffic flow and operations, and the managing traffic related to events. These efforts are accomplished for all modes of travel (ped, bike, transit, rail, truck and autos).

*Measure: Resident Survey "perceived change in livability" - based on the Resident Survey question regarding the "3 biggest challenges facing the City" - Transportation/Traffic issues*

**Off-street Parking**

Other Funds: \$32,900,293

*Public Works*

The Off-street program is responsible for managing a portfolio of City and State owned and leased parking ramps and parking lots. Designed, in part, on hub-and-spoke model, the system leverages a network of skyways, bike paths and transit routes to offer a multimodal transportation solution to residents, visitors and commuters while reducing traffic congestion in downtown core. Installation of electric vehicle charging stations and off-street car sharing programs will be explored in 2012 with no budgetary impact.

*Measure: Modeshare- Percent of trips made in single occupancy vehicles*

**Sidewalk**

Other Funds: \$681,892

*Public Works*

This program is to support the City's need to ensure pedestrian passage on the 2,000 miles of sidewalks in the public right-of-way. It is composed of two parts: Sidewalk maintenance and repair during the summer construction season, and enforcement of the City's sidewalk shoveling ordinances in the winter season.

*Measure: Resident Survey "perceived change in livability"*

**Sanitary Collection and Treatment**

Other Funds: \$44,260,603

*Public Works*

The sanitary program meets regulatory requirements while collecting sanitary flow within the City of Minneapolis to a Metropolitan Council Environmental Service (MCES) Treatment Facility for treatment and then discharge to the Mississippi River. Maintaining system flow is critical in minimizing the risk of sanitary backups and combined sewer overflows to the Mississippi River. Activities in this program include the design and analysis of the sanitary system for self cleaning velocity in pipes or identifying sources of clear water, daily cleaning and operation of the system, emergency responses and payments to MCES for the treatment of the sanitary flow.

*Measure: Number of sewer back-ups, by cause (Public sanitary sewer system only)*



## **Stormwater - Collection and Treatment**

Other Funds: \$15,467,606

### *Public Works*

The stormwater program meets regulatory requirements while collecting stormwater and treating it prior to entering the lakes, creeks and river in the City of Minneapolis. Maintaining stormwater flow in the system is essential to control the flow of stormwater and minimize flooding risks while protecting water quality. Activities range from the design and analysis of the stormwater system including pipes and water quality infrastructure components to implementation and completion of regulatory activities to daily cleaning and operation of the system to responding to emergency situations that may impact the system.

*Measure: Rainleader disconnect program, annual compliance rate*

## **Construction Management**

Other Funds: \$1,459,970

### *Public Works*

This program provides varying degrees of construction management and oversight of construction requirements for all roadways, bridges, streetscapes, and bike paths within the City of Minneapolis. This oversight includes projects with the State of Minnesota (with and without Federal participation) and Hennepin County. This oversight is accomplished utilizing both internal and external resources. These activities and oversight include, but are not limited to, field surveying activities, geotechnical analysis, field inspection, material inspection and research, and overall quality control a significant amount of the actual lab testing being done by the City's in-house facility. Additionally, Construction Management takes the lead on construction related environmental contamination issues associated with construction projects. This include a fully trained staff to deal with site specific construction contingency and remedial action plans as well as managing the necessary contracts and consultant.

*Measure: Pavement Condition Index (PCI)*

## **Surface Transportation Capital**

Other Funds: \$6,773,793

### *Public Works*

This program is responsible for the oversight of all programming and design for Minneapolis roadways, bridges, streetscapes, and bike trails. This oversight is a combination of internal design as well as consultant design work. The Surface Transportation Capital group is responsible for the coordination of work associated with State of Minnesota and Hennepin County projects within Minneapolis such as the 35W expansion and Lake Street Reconstruction. These projects require extensive coordination between agencies across Public Works as well as other City departments.

The Surface Transportation Capital group also works with the property owners adjacent to projects as well as the neighborhood associations to implement as many desires of the property owners/neighborhood into the projects as possible. All permits, agreements, funding, and scheduling for the above projects are the responsibility of the Surface Transportation Capital group.

*Measure: Pavement Condition Index (PCI)*

**Potable Water Supply**

Other Funds: \$51,105,497

*Public Works*

Provide and distribute clean and reliable drinking water to every residential and non-residential customer wanting and needing safe water. Provide water for fire fighting. Maintain a system to bill and collect for the water used to provide sustainability for the water system.

*Measure: Water division total operating costs per million gallons of water produced and total authorized FTEs*

GOAL: A City that Works**Public Works Administration**

General Fund: \$2,781,814

*Public Works*

Public Works Administration provides leadership to its divisions and works with City leaders in maintaining and preserving its public infrastructure, delivering related essential services as efficiently as possible with the financial resources provided and ensuring that public safety is not compromised. Public Works Administration works to provide a stable and safe work environment that effectively supports its operating divisions and employees. The program strives to improve and facilitate accountability and innovation throughout its divisions, providing analysis and long-range thinking that supports responsible decision making. The program works to enable superior customer service that is responsive and demystifies city processes

*Measure: Resident rating on informing residents on major issues in the City of Minneapolis (Resident Survey)*

**Dispatch Operations**

Other Funds: \$17,505,674

*Public Works*

Dispatch Operations is responsible for providing task labor and equipment for construction and maintenance work on the City's infrastructure, including street sweeping, repair of streets, sewer, and water systems, snow and ice removal, and paving. Dispatch exchanges information with Public Works divisions and City of Minneapolis Departments and agencies to support the planning and scheduling of construction and maintenance activities as well as requests to support special events. This information includes: project requirements and requests for services, equipment status, and qualified personnel. This section also coordinates training for field employees to meet federal, state, and local law, rules, and policies.

*Measure: Satisfaction rating of internally provided city services*

**Fleet Management**

Other Funds: \$8,539,611

*Public Works*

Fleet Management develops fleet replacement programs of all vehicles and equipment to meet the needs of using departments and City "green" initiatives. Fleet Management also monitors and reports on fleet utilization, registers and licenses all City vehicles, and re-markets units through several outlets to maximize return.

*Measure: Fleet shop rates comparison*

## **Fleet Service Maintenance Operations**

Other Funds: \$17,608,537

### *Public Works*

Maintenance Operation is responsible for set-up, repair, and de-commissioning of all vehicles and equipment in the City's fleet. This operation also manages fueling sites at City owned facilities and environmental compliance with federal, state and local laws, rules and policies.

*Measure: Satisfaction rating of internally provided city services*

## **FINANCIAL ANALYSIS**

The department's 2012 expenditure budget is \$299.6 million, a 3.3% increase from the 2011 revised budget. The department is funded by the general fund, the capital projects fund, three internal service funds and five enterprise funds. The estimated overall change in personnel is a reduction of 17.7 positions from the 2011 budget. Most of the reduction is vacant positions.

Central Stores has been moved to the Finance Department. Property Services has also been moved to Finance except for the Development Properties division and Parking Facilities division. CPED will contract out for the maintenance of the department's properties. The FTE associated with Parking Facilities are absorbed by Transportation Maintenance & Repair.

## **MAYOR'S RECOMMENDED BUDGET**

Please see division sections for Mayor's recommendations.

## **COUNCIL ADOPTED BUDGET**

Council adopted the following staff directions:

- Public Works is directed to report to the Transportation and Public Works committee by January 31, 2012 proposed specific projects for the 2012 Capital Budget Paving Program.
- The Public Works Department is directed to determine a strategy for shifting the costs of cleaning graffiti off city infrastructure from the Solid Waste Enterprise Fund and into the operating budgets responsible for maintaining the infrastructure where the graffiti lands. A presentation on the department's graffiti clean-up strategy is to be made to the Ways & Means/Budget Committee prior to or during their regularly scheduled meetings in March.
- Public Works and CPED are directed to create a Project Team comprised of representatives of CPED, Public Works and Finance department to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:
  - a) Create defined project area;
  - b) Establish timeline, schedule, benchmarks; and
  - c) Design and implement community and stakeholder engagement.

Staff is further directed to report back to Community Development and Transportation and Public Works committees by end of the first quarter 2012 on progress and with any recommendations.

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from:

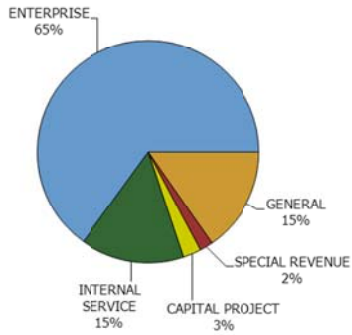
- Sewer: from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter
- Water: from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter

## PUBLIC WORKS EXPENSE AND REVENUE INFORMATION

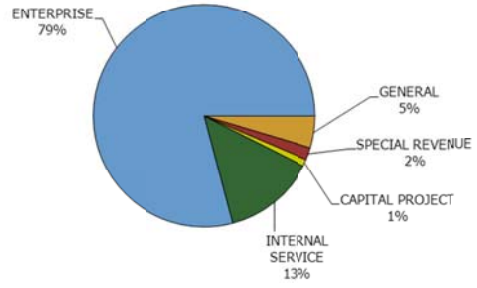
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	900,480	10,787,665				
<b>TOTAL AGENCY</b>	<b>900,480</b>	<b>10,787,665</b>				
<b>CAPITAL PROJECT</b>						
CAPITAL		77,032	47,104	57,858	22.8%	10,754
CONTRACTUAL SERVICES	2,126,164	2,238,215	3,219,839	3,106,671	-3.5%	(113,168)
FRINGE BENEFITS	1,164,617	1,266,761	1,348,747	1,261,869	-6.4%	(86,878)
OPERATING COSTS	128,553	104,643	635,126	186,821	-70.6%	(448,305)
SALARIES AND WAGES	3,107,034	3,217,052	3,488,974	3,269,289	-6.3%	(219,685)
<b>TOTAL CAPITAL PROJECT</b>	<b>6,526,368</b>	<b>6,903,702</b>	<b>8,739,790</b>	<b>7,882,508</b>	<b>-9.8%</b>	<b>(857,282)</b>
<b>ENTERPRISE</b>						
CAPITAL	93,094	311,800	4,594,972	3,149,125	-31.5%	(1,445,847)
CONTRACTUAL SERVICES	81,467,517	91,318,383	91,612,980	94,754,826	3.4%	3,141,846
FRINGE BENEFITS	13,642,648	14,877,173	12,834,772	14,479,624	12.8%	1,644,852
OPERATING COSTS	57,886,601	68,726,548	48,527,147	50,927,239	4.9%	2,400,092
SALARIES AND WAGES	28,462,352	28,431,745	31,156,456	31,022,833	-0.4%	(133,623)
<b>TOTAL ENTERPRISE</b>	<b>181,552,212</b>	<b>203,665,649</b>	<b>188,726,327</b>	<b>194,333,647</b>	<b>3.0%</b>	<b>5,607,320</b>
<b>GENERAL</b>						
CAPITAL	69,700	92,407	99,948	101,624	1.7%	1,676
CONTRACTUAL SERVICES	19,018,844	20,728,420	19,276,339	19,458,457	0.9%	182,118
FRINGE BENEFITS	5,491,512	5,916,423	5,590,649	6,423,165	14.9%	832,516
OPERATING COSTS	6,425,742	7,327,205	6,086,910	7,398,867	21.6%	1,311,957
SALARIES AND WAGES	12,242,801	12,458,896	12,544,669	12,701,636	1.3%	156,967
<b>TOTAL GENERAL</b>	<b>43,248,599</b>	<b>46,523,351</b>	<b>43,598,515</b>	<b>46,083,749</b>	<b>5.7%</b>	<b>2,485,234</b>
<b>INTERNAL SERVICE</b>						
CAPITAL	632		4,600,000	7,529,449	63.7%	2,929,449
CONTRACTUAL SERVICES	5,348,824	5,297,555	12,206,999	11,818,487	-3.2%	(388,512)
FRINGE BENEFITS	5,285,036	5,488,631	5,228,457	4,916,539	-6.0%	(311,918)
OPERATING COSTS	11,607,442	12,261,106	9,775,567	10,179,222	4.1%	403,655
SALARIES AND WAGES	11,031,054	10,631,338	11,334,478	11,045,405	-2.6%	(289,073)
<b>TOTAL INTERNAL SERVICE</b>	<b>33,272,988</b>	<b>33,678,630</b>	<b>43,145,501</b>	<b>45,489,102</b>	<b>5.4%</b>	<b>2,343,601</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	2,935,513	5,769,881	5,800,000	5,800,000	0.0%	
FRINGE BENEFITS	2,023	13,015				
SALARIES AND WAGES		40,151				
<b>TOTAL SPECIAL REVENUE</b>	<b>2,937,536</b>	<b>5,823,047</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>	
<b>TOTAL EXPENSE</b>	<b>268,438,183</b>	<b>307,382,043</b>	<b>290,010,133</b>	<b>299,589,006</b>	<b>3.3%</b>	<b>9,578,873</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>CAPITAL PROJECT</b>						
CHARGES FOR SALES	606	255	300		-100.0%	(300)
CHARGES FOR SERVICES	5,947,424	361,775	2,800,000	2,900,000	3.6%	100,000
FEDERAL GOVERNMENT	113,485					
LICENSE AND PERMITS	334,445	278,650	260,000	260,000	0.0%	
LOCAL GOVERNMENT	74,400					
OTHER MISC REVENUES	2,394	2,499	500	500	0.0%	
SPECIAL ASSESSMENTS	127,232	212,283	60,000	60,000	0.0%	
STATE GOVERNMENT		499,663				
<b>TOTAL CAPITAL PROJECT</b>	<b>6,599,985</b>	<b>1,355,125</b>	<b>3,120,800</b>	<b>3,220,500</b>	<b>3.2%</b>	<b>99,700</b>
<b>ENTERPRISE</b>						
CHARGES FOR SALES	2,309,364	3,158,825	2,151,904	2,695,000	25.2%	543,096
CHARGES FOR SERVICES	225,896,667	235,157,827	240,513,591	247,076,083	2.7%	6,562,492
CONTRIBUTIONS		86			0.0%	
FINES AND FORFEITS	57,441	35,408	45,000	45,000	0.0%	
LICENSE AND PERMITS	369,149	449,324	241,000	241,100	0.0%	100
LOCAL GOVERNMENT	1,157,598	1,154,239	1,241,654	1,045,517	-15.8%	(196,137)
LONG TERM LIABILITIES PROCEEDS	(5,536,059)				0.0%	
OTHER MISC REVENUES	111,155	45,121	46,500	46,500	0.0%	
RENTS	7,685	3,384	3,500	3,500	0.0%	
SPECIAL ASSESSMENTS	955,326	1,932,713	60,510	693,157	1,045.5%	632,647
STATE GOVERNMENT	730,787	1,158,316	1,032,532	677,787	-34.4%	(354,745)
<b>TOTAL ENTERPRISE</b>	<b>226,059,113</b>	<b>243,095,244</b>	<b>245,336,191</b>	<b>252,523,644</b>	<b>2.9%</b>	<b>7,187,453</b>
<b>GENERAL</b>						
CHARGES FOR SALES	56,971	43,527	23,500	25,000	6.4%	1,500
CHARGES FOR SERVICES	9,621,280	8,545,981	8,683,848	8,666,274	-0.2%	(17,574)
FEDERAL GOVERNMENT	113,549					
FRANCHISE FEES	117,817	123,925	210,000	100,000	-52.4%	(110,000)
LICENSE AND PERMITS	1,076,965	892,892	986,000	876,000	-11.2%	(110,000)
LOCAL GOVERNMENT	442,465	984,716	693,612	531,405	-23.4%	(162,207)
OTHER MISC REVENUES	229,579	349,228	126,100	86,100	-31.7%	(40,000)
RENTS	(819)					
SPECIAL ASSESSMENTS	906,161	1,012,773	902,804	942,804	4.4%	40,000
STATE GOVERNMENT	3,129,525	4,773,031	3,866,878	3,546,830	-8.3%	(320,048)
<b>TOTAL GENERAL</b>	<b>15,693,493</b>	<b>16,726,072</b>	<b>15,492,742</b>	<b>14,774,413</b>	<b>-4.6%</b>	<b>(718,329)</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	5,808,984	6,106,964	8,643,744	9,580,149	10.8%	936,405
CHARGES FOR SERVICES	8,007,320	8,521,360	10,443,992	9,045,488	-13.4%	(1,398,504)
GAINS	59,322	169,301	200,000	200,000	0.0%	
OTHER MISC REVENUES	189,273	255,977	10,000	10,000	0.0%	
RENTS	20,780,369	22,378,287	24,789,400	24,254,097	-2.2%	(535,303)
<b>TOTAL INTERNAL SERVICE</b>	<b>34,845,268</b>	<b>37,431,888</b>	<b>44,087,136</b>	<b>43,089,734</b>	<b>-2.3%</b>	<b>(997,402)</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES		1,355				
OTHER MISC REVENUES	1,417,093	198,126				
SPECIAL ASSESSMENTS	1,199,077	6,406,987	5,800,000	5,800,000	0.0%	
<b>TOTAL SPECIAL REVENUE</b>	<b>2,616,169</b>	<b>6,606,468</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>	
<b>TOTAL REVENUE</b>	<b>285,814,028</b>	<b>305,214,798</b>	<b>313,836,869</b>	<b>319,408,291</b>	<b>1.8%</b>	<b>5,571,422</b>

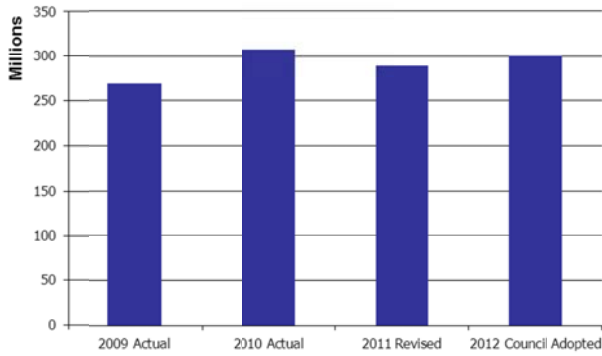
**Expense by Fund**



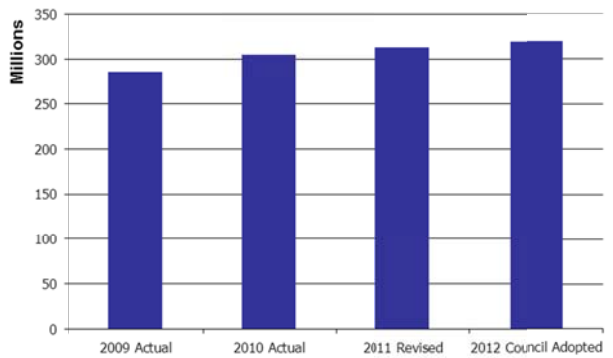
**Revenue by Fund**



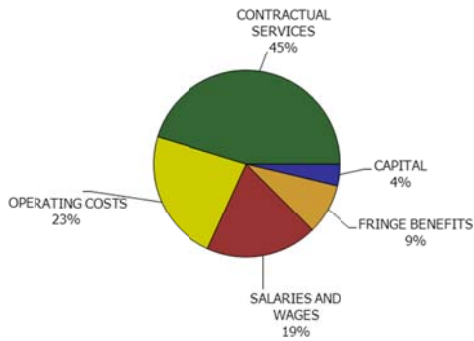
**Expense 2009 - 2012**



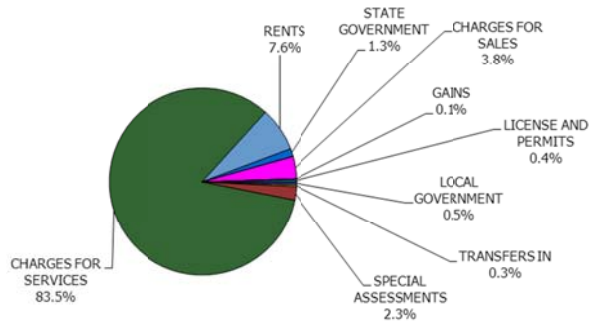
**Revenue 2009 - 2012**



**Expense by Type**



**Revenue by Type**

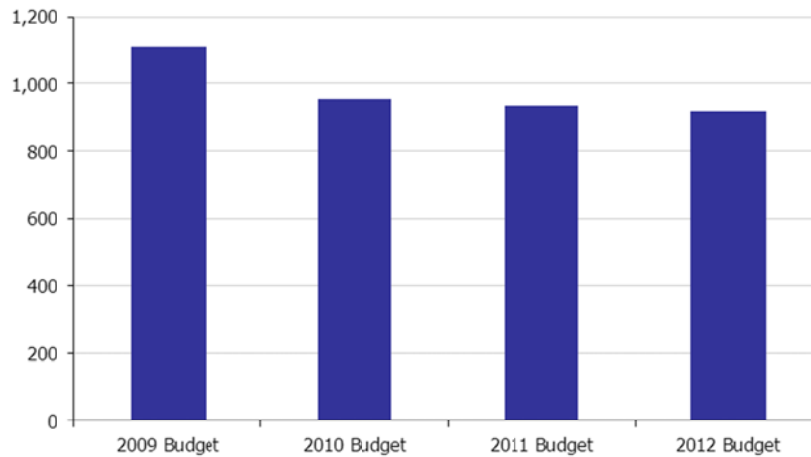


## PUBLIC WORKS

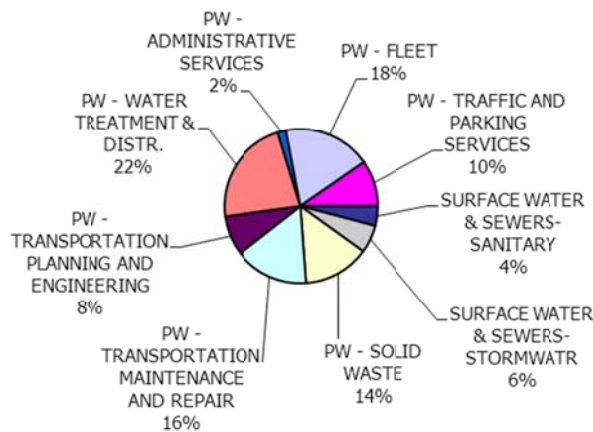
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
PW - TRANSPORTATION PLANNING AND ENGINEERING	88.00	74.00	78.00	77.00	(1.00)	-1.3%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	169.60	150.75	149.45	145.27	(4.18)	-2.8%
SURFACE WATER & SEWERS-STORMWATR	68.50	55.00	52.25	53.15	0.90	1.7%
SURFACE WATER & SEWERS-SANITARY	41.40	38.40	38.65	37.75	(0.90)	-2.3%
PW - ADMINISTRATIVE SERVICES	15.50	15.50	16.00	16.00		0.0%
PW - SOLID WASTE	129.00	127.00	127.00	127.00		0.0%
PW - FLEET	246.60	180.60	172.00	168.00	(4.00)	-2.3%
PW - PROPERTY SERVICES	6.50	6.50	6.00		(6.00)	-100.0%
PW - TRAFFIC AND PARKING SERVICES	94.13	90.00	89.00	89.00		0.0%
PW - WATER TREATMENT & DISTR.	252.75	216.67	207.00	204.50	(2.50)	-1.2%
<b>Total PUBLIC WORKS Depts</b>	<b>1,111.98</b>	<b>954.42</b>	<b>935.35</b>	<b>917.67</b>	<b>(17.68)</b>	<b>-1.9%</b>

### Positions 2009-2012



### Staffing by Department



## ADMINISTRATIVE SERVICES

### EXPENDITURE

The 2012 budget is \$2.8 million or a 1.4% increase over the 2011 revised budget. The increase is a result of increased non-personnel costs. The number of positions remained flat at 16.0 FTE from 2011.

### REVENUE

Revenue of \$2.6 million in administrative services results from overhead charged to other Public Works functions and also permit and plan review fees. This amount remained unchanged from 2011.

### FUND ALLOCATION

Administrative Services operates within the City's General Fund.

### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes.

### COUNCIL ADOPTED BUDGET

The Council adopted the Mayor's recommendations.

## PUBLIC WORKS - ADMINISTRATIVE SERVICES

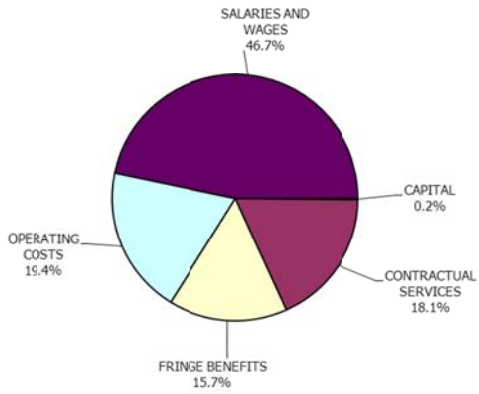
### EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CAPITAL			4,586	4,659	1.6%	73
CONTRACTUAL SERVICES	584,691	457,486	539,087	502,324	-6.8%	(36,763)
FRINGE BENEFITS	342,277	378,029	413,895	435,971	5.3%	22,075
OPERATING COSTS	466,533	485,668	540,215	540,325	0.0%	110
SALARIES AND WAGES	1,177,570	1,265,409	1,246,661	1,298,534	4.2%	51,873
<b>TOTAL EXPENSE</b>	<b>2,571,072</b>	<b>2,586,591</b>	<b>2,744,444</b>	<b>2,781,814</b>	<b>1.4%</b>	<b>37,369</b>

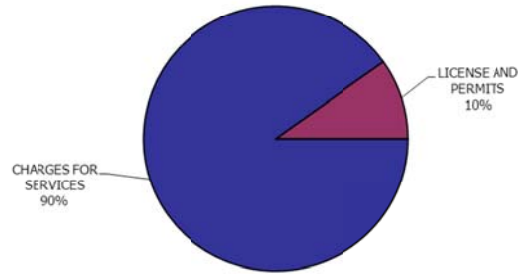
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	2,588,157	2,121,713	2,300,000	2,300,000	0.0%	0
LICENSE AND PERMITS	328,678	269,124	250,000	250,000	0.0%	0
OTHER MISC REVENUES	781	503			0.0%	0
<b>TOTAL REVENUE</b>	<b>2,917,616</b>	<b>2,391,340</b>	<b>2,550,000</b>	<b>2,550,000</b>	<b>0.0%</b>	<b>0</b>



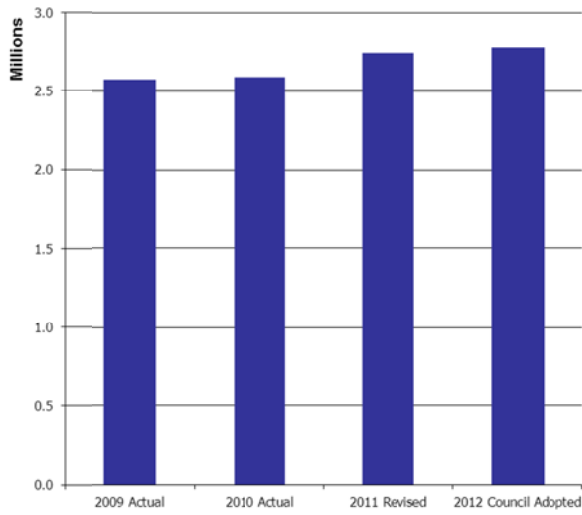
**Expense by Category**



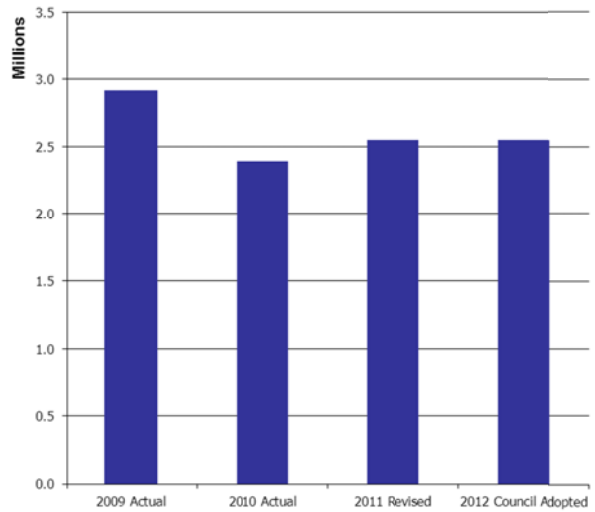
**Direct Revenue by Type**



**Expense 2009 - 2012**



**Revenue 2009 - 2012**

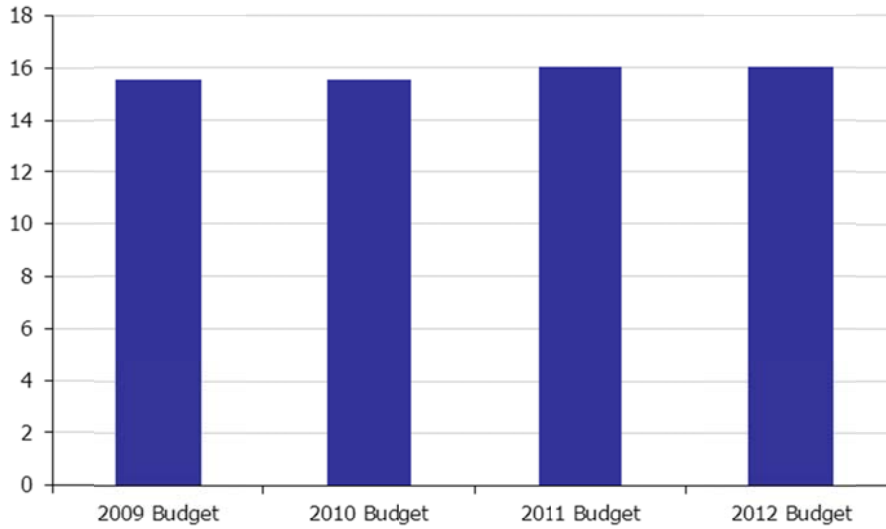


## PUBLIC WORKS - ADMINISTRATIVE SERVICES

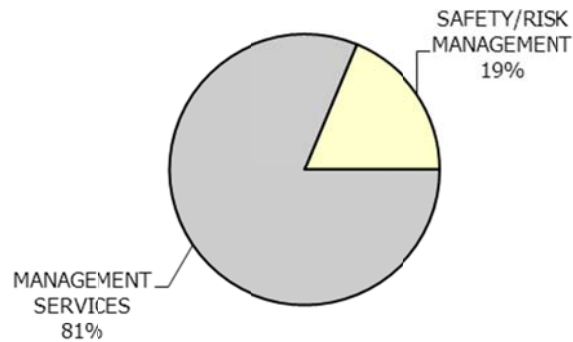
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
SAFETY/RISK MANAGEMENT	3.00	3.00	3.00	3.00	0.0%	
MANAGEMENT SERVICES	12.50	12.50	13.00	13.00	0.0%	
<b>TOTAL</b>	<b>15.50</b>	<b>15.50</b>	<b>16.00</b>	<b>16.00</b>	<b>0.0%</b>	

### Positions 2009-2012



### Positions by Division



## **FLEET SERVICES**

### **EXPENDITURE**

The total expense budget for Fleet Services is \$43.7 million, an increase of 8.1% from the 2011 revised budget of \$40.4 million. This increase is related to capital spending for fleet replacement and is the reason for expenses being greater than revenues as \$7.8 million in capital was approved in 2010, while only \$1.7 million was spent that year. The remaining capital appropriation has been rolled forward.

Personnel cost decreased by 1% from \$14.9 million in 2011 to \$14.8 million in 2012 representing approximately 34% of the budget. The number of budgeted full-time equivalent positions decreased from 172 in 2011 to 168 in 2012. There are 6 vacancies eliminated and 2 positions added (a training coordinator and a dispatcher), resulting in an overall reduction of 4 positions.

General fund overhead charges increased 32% from 2011 to 2012. The internal service funds received the full impact of general fund overhead in 2012 due to historically receiving lower payments to assist with long-term financial plans and to increase the total net asset balance.

### **REVENUE**

The 2012 revenue budget of \$41 million represents an increase of 0.8% over the 2011 budgeted amount of \$40.7 million. The increase is primarily due to an increase in rates to recover the cost of the final MERF debt service payment of \$2.2 million. The projected revenue is determined through an activity based rate model using historical operational utilization and budgeted 2012 divisional costs. The rates determined by the model are calculated to replenish direct and indirect costs of the division.

### **FUND ALLOCATION**

The transactions of this division are recorded in the Fleet Services internal service fund.

*For more information, see the Fleet Services Fund within the financial plans section of this document.*

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended no changes.

### **COUNCIL ADOPTED BUDGET**

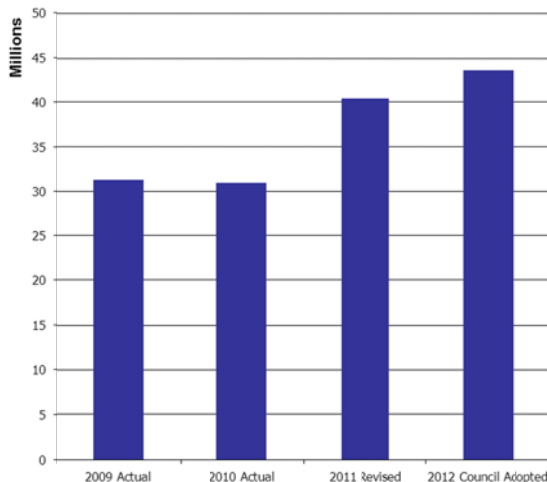
The Council adopted the Mayor's recommendations.

## PUBLIC WORKS - FLEET SERVICES EXPENSE AND REVENUE INFORMATION

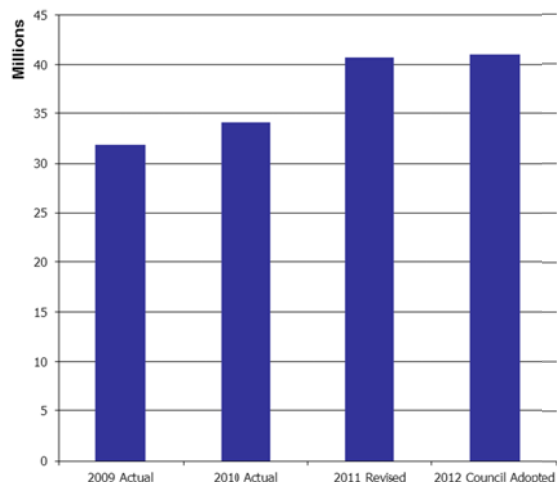
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS		(141,220)			0.0%	0
<b>TOTAL AGENCY</b>		<b>(141,220)</b>				<b>0</b>
<b>INTERNAL SERVICE</b>						
CAPITAL	612		4,600,000	7,529,449	63.7%	2,929,449
CONTRACTUAL SERVICES	4,596,967	4,329,502	11,298,429	11,288,085	-0.1%	(10,344)
FRINGE BENEFITS	4,796,503	4,985,871	4,773,055	4,560,918	-4.4%	(212,137)
OPERATING COSTS	11,980,874	12,274,795	9,564,504	10,061,469	5.2%	496,965
SALARIES AND WAGES	9,930,948	9,560,645	10,149,630	10,213,900	0.6%	64,270
<b>TOTAL INTERNAL SERVICE</b>	<b>31,305,904</b>	<b>31,150,814</b>	<b>40,385,618</b>	<b>43,653,821</b>	<b>8.1%</b>	<b>3,268,203</b>
<b>TOTAL EXPENSE</b>	<b>31,305,904</b>	<b>31,009,593</b>	<b>40,385,618</b>	<b>43,653,821</b>	<b>8.1%</b>	<b>3,268,203</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
GAINS		442			0.0%	0
LONG TERM LIABILITIES PROCEEDS		(442)			0.0%	0
<b>TOTAL AGENCY</b>		<b>(0)</b>			<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	5,203,628	5,721,760	8,271,744	9,218,149	11.4%	946,405
CHARGES FOR SERVICES	5,608,677	5,594,828	7,446,314	7,345,488	-1.4%	(100,826)
GAINS	59,322	169,301	200,000	200,000	0.0%	0
OTHER MISC REVENUES	188,899	255,457	10,000	10,000	0.0%	0
RENTS	20,780,810	22,378,287	24,789,400	24,254,097	-2.2%	(535,303)
<b>TOTAL INTERNAL SERVICE</b>	<b>31,841,336</b>	<b>34,119,632</b>	<b>40,717,458</b>	<b>41,027,734</b>	<b>0.8%</b>	<b>310,276</b>
<b>TOTAL REVENUE</b>	<b>31,841,336</b>	<b>34,119,632</b>	<b>40,717,458</b>	<b>41,027,734</b>	<b>0.8%</b>	<b>310,276</b>

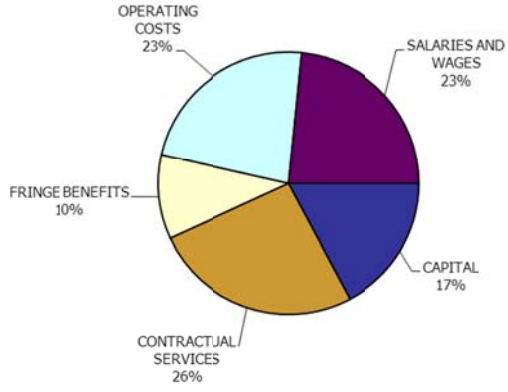
Expense 2009 - 2012



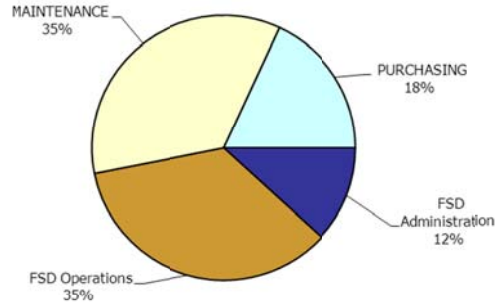
Revenue 2009 - 2012



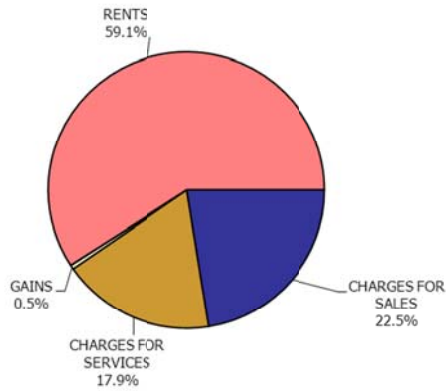
**Expense by Category**



**Expense by Division**



**Direct Revenue by Type**

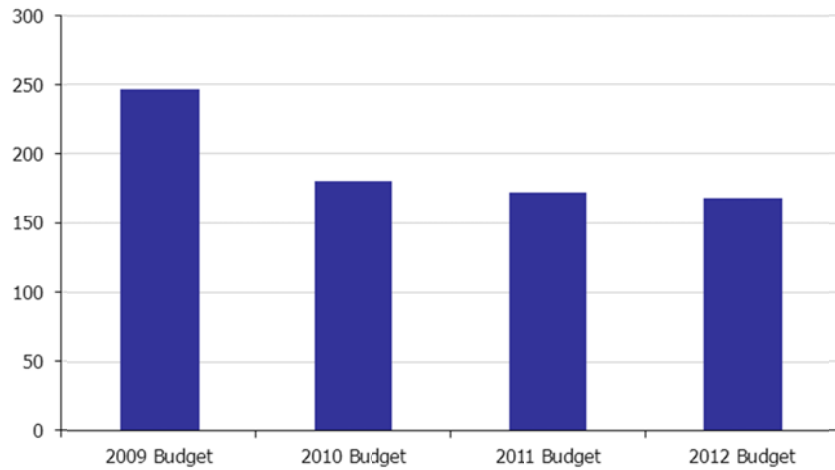


## PUBLIC WORKS - FLEET SERVICES

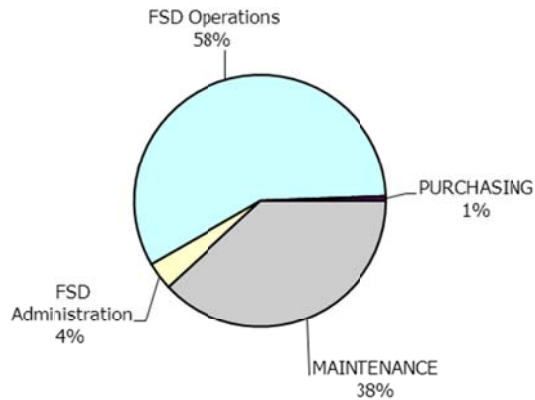
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
FSD Operations	161.00	103.50	101.50	97.00	-4.4%	(4.50)
FSD Administration			5.50	6.00	9.1%	0.50
PURCHASING			1.00	1.00	0.0%	
MAINTENANCE	85.60	74.10	64.00	64.00	0.0%	
PW - FLEET SERVICES		3.00				
<b>TOTAL</b>	<b>246.60</b>	<b>180.60</b>	<b>172.00</b>	<b>168.00</b>	<b>-2.3%</b>	<b>(4.00)</b>

**Positions 2009-2012**



**Positions by Division**



## **SOLID WASTE & RECYCLING SERVICES**

### **EXPENDITURE**

The 2012 operating expense budget for Solid Waste totals \$32.9 million compared to \$33.8 million for 2011, for a decrease of \$878,000 or 2.6%. This decrease in operating budget is due to reductions made in salaries, contractual services, and operating materials to bring the budget more in line with actual expenditures and major contracts. In addition to operations, the 2012 Solid Waste budget also contributes to yearly snow plows and MERF pension plans.

For Solid Waste division, there has been no change in overall personnel budget from 2011 to 2012. The FTE count for 2012 totals 127.

### **REVENUE**

The operating revenue for 2012 is budgeted at \$30.6 million compared to \$29.9 million for 2011 with an increase of \$690,000, or 2.3%. The revenue estimates are based on waste collection fees, local government grant, miscellaneous services, and sales of equipment and scrap metals. Collection fees or the monthly service revenue budgeted at \$28.3 million makes up 93% of the revenue budget. There is no rate increase in collection fees for 2012. It has been set at \$24 per dwelling unit with adjustments of \$7 made to recycling credits and addition of \$5 and \$2 for large and small disposal carts.

### **FUND ALLOCATION**

Solid Waste is funded from the Solid Waste & Recycling enterprise fund.

*Please see the Solid Waste fund financial plans in the financial plan section of this book for more information.*

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended \$32.88 million, including \$150,000 for graffiti microgrants.

### **COUNCIL ADOPTED BUDGET**

The Council adopted the Mayor's recommendations.

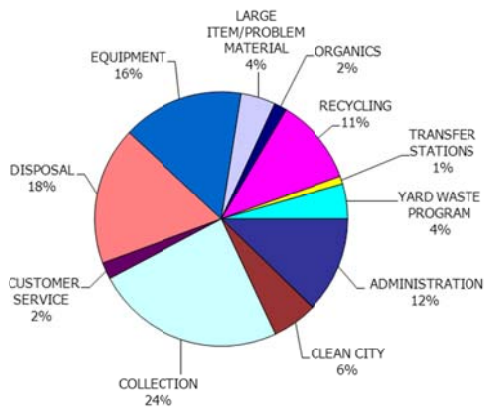
**PUBLIC WORKS - SOLID WASTE & RECYCLING SERVICES  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CONTRACTUAL SERVICES	75,000				0.0%	0
<b>TOTAL GENERAL</b>	<b>75,000</b>					
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES		37,573			0.0%	0
FRINGE BENEFITS		13,015			0.0%	0
SALARIES AND WAGES		40,151			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>		<b>90,739</b>				<b>0</b>
<b>ENTERPRISE</b>						
CAPITAL			2,677,309	2,729,201	1.9%	51,892
CONTRACTUAL SERVICES	16,108,776	17,166,607	19,882,838	18,741,122	-5.7%	(1,141,716)
FRINGE BENEFITS	3,217,386	3,464,431	3,125,526	3,430,631	9.8%	305,105
OPERATING COSTS	2,257,926	3,292,697	1,352,756	1,582,785	17.0%	230,029
SALARIES AND WAGES	6,286,183	6,322,344	6,719,844	6,396,312	-4.8%	(323,532)
<b>TOTAL ENTERPRISE</b>	<b>27,870,271</b>	<b>30,246,079</b>	<b>33,758,273</b>	<b>32,880,051</b>	<b>-2.6%</b>	<b>(878,222)</b>
<b>TOTAL EXPENSE</b>	<b>27,945,271</b>	<b>30,336,818</b>	<b>33,758,273</b>	<b>32,880,051</b>	<b>-2.6%</b>	<b>(878,222)</b>

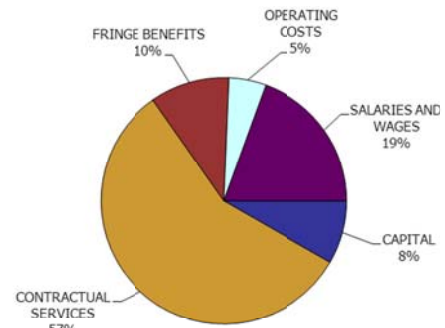
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>ENTERPRISE</b>						
CHARGES FOR SALES	1,095,426	1,444,860	600,000	1,000,000	66.7%	400,000
CHARGES FOR SERVICES	27,863,403	28,191,295	28,495,049	28,786,914	1.0%	291,865
CONTRIBUTIONS		86			0.0%	0
LICENSE AND PERMITS	1,134	(1,000)			0.0%	0
LOCAL GOVERNMENT	861,090	888,467	800,000	800,000	0.0%	0
OTHER MISC REVENUES	22,911	1,668			0.0%	0
RENTS	4,134	575			0.0%	0
SPECIAL ASSESSMENTS	342,879	371,206			0.0%	0
STATE GOVERNMENT		10,350	10,350	8,173	-21.0%	(2,177)
<b>TOTAL REVENUE</b>	<b>30,190,977</b>	<b>30,907,507</b>	<b>29,905,399</b>	<b>30,595,087</b>	<b>2.3%</b>	<b>689,688</b>



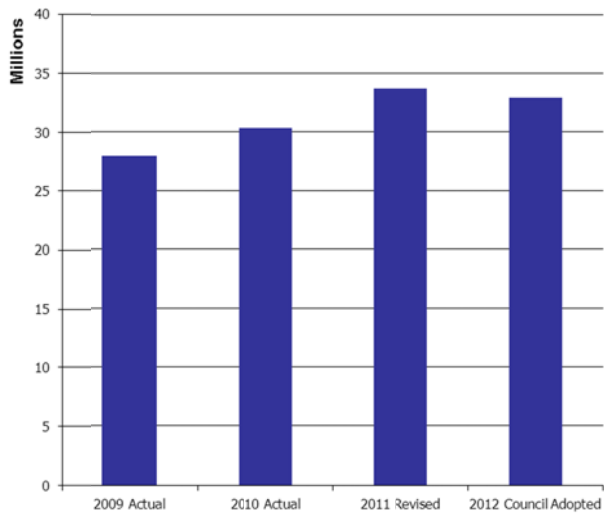
**Expense by Division**



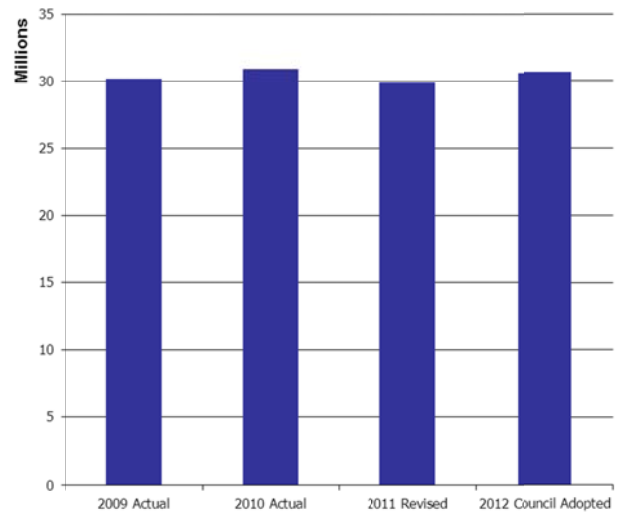
**Expense by Category**



**Expense 2009 - 2012**



**Revenue 2009 - 2012**

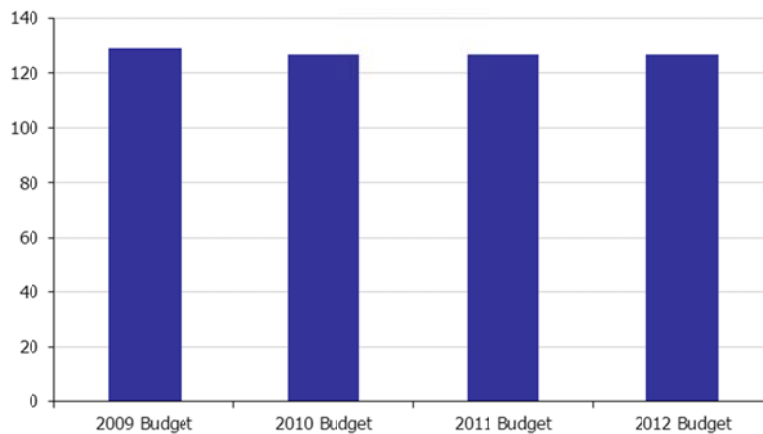


# PUBLIC WORKS - SOLID WASTE & RECYCLING

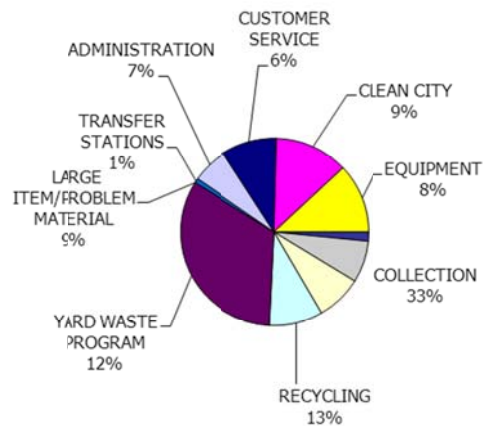
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ORGANICS			2.00	2.00	0.0%	
ADMINISTRATION	19.50	9.00	9.00	9.14	1.6%	0.14
EQUIPMENT	10.00	10.00	10.00	10.00	0.0%	
CLEAN CITY	6.00	7.00	8.00	11.61	45.1%	3.61
COLLECTION	41.00	42.00	42.00	42.00	0.0%	
PW - SOLID WASTE	7.00					
TRANSFER STATIONS		1.00	1.00	1.00	0.0%	
CUSTOMER SERVICE		9.00	8.00	8.00	0.0%	
LARGE ITEM/PROBLEM MATERIAL	7.00	12.00	12.00	12.00	0.0%	
RECYCLING	26.00	18.00	16.00	16.00	0.0%	
YARD WASTE PROGRAM	12.50	19.00	19.00	15.25	-19.7%	(3.75)
<b>TOTAL</b>	<b>129.00</b>	<b>127.00</b>	<b>127.00</b>	<b>127.00</b>	<b>0.0%</b>	

**Positions 2009-2012**



**Positions by Division**



## **SURFACE WATER & SANITARY SEWER - SANITARY SEWER**

### **EXPENDITURE**

The 2012 operating expense budget for Sanitary Sewer totals \$44.3 million compared to \$42.3 million in 2011, a \$2 million increase or 4.4%. The budget covers operating expenditures for Sanitary Sewer Conveyance & Treatment program which includes design, maintenance, and Met Council activities. This increase is primarily due to Metropolitan Council cost center where expenses for 2012 have increased \$1.3 million for the Met Council service fees. The remainder of the increase is primarily due to personnel realignment between the Stormwater division and Sanitary Sewer and increase in contractual services. The personnel realignment left Sanitary Sewer with higher paid personnel, thus resulting in higher costs.

In addition to operations, the 2012 Sanitary Sewer budget also funds capital programs, debt service, and MERF pension plans.

For sanitary sewer division, personnel budget includes a net reduction of 0.90 positions for 2012. Positions were realigned between cost centers and Storm Water fund. This brings the FTE count for Sanitary Sewer to 37.8 compared to 38.7 for 2011.

### **REVENUE**

The operating revenue for 2012 is budgeted at \$53.1 million compared to \$49.3 million for 2011 which is an increase of \$3.8 million, or 7.7%. The revenue estimates are based on utility charges, SAC revenue, design revenue and miscellaneous charges. Utility charges or the monthly service revenue budgeted at \$49.8 million makes up 94% of 2012 revenue budget. Increase in revenue estimates for 2012 mainly comes from the fixed portion of the utility rates, which accounts for approximately 90% of the charges for service revenues. The rate increases were made to fund MERF pension payments and participate in shared cost for meters.

### **FUND ALLOCATION**

The Sanitary Sewer division is funded out of the Sanitary Sewer enterprise fund.

*Please see the Sanitary Sewer fund financial plans in the financial plan section of this book for more information.*

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a rate increase of \$0.32 per 100 cubic feet to \$3.37 in 2012. The Mayor recommended no changes to the program.

### **COUNCIL ADOPTED BUDGET**

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.05.

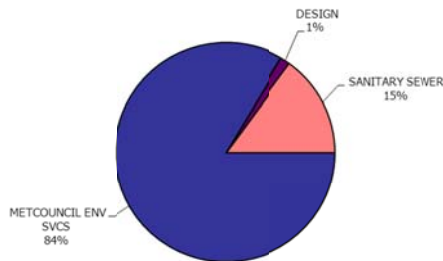
In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$3.00 for a 5/8 inch meter to \$990 for a 12 inch meter.

## PUBLIC WORKS - SURFACE WATER & SANITARY SEWER - SANITARY SEWER EXPENSE AND REVENUE INFORMATION

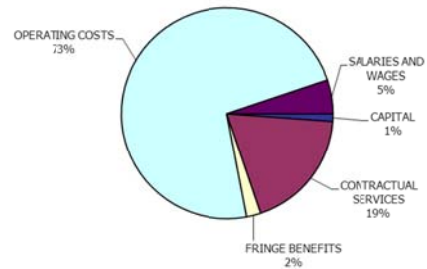
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>ENTERPRISE</b>						
CAPITAL			140,702	142,109	1.0%	1,407
CONTRACTUAL SERVICES	5,250,744	7,381,080	7,588,877	7,830,440	3.1%	241,563
FRINGE BENEFITS	1,023,532	1,081,195	934,309	985,384	5.2%	51,075
OPERATING COSTS	29,947,842	31,856,107	31,477,565	32,948,756	4.5%	1,471,191
SALARIES AND WAGES	2,226,765	2,162,896	2,155,869	2,353,915	8.4%	198,045
<b>TOTAL EXPENSE</b>	<b>38,448,883</b>	<b>42,481,278</b>	<b>42,297,322</b>	<b>44,260,603</b>	<b>4.4%</b>	<b>1,963,281</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>ENTERPRISE</b>						
CHARGES FOR SERVICES	43,875,716	49,102,566	49,296,031	53,093,372	7.7%	3,797,341
LICENSE AND PERMITS	77,661	157,664			0.0%	0
SPECIAL ASSESSMENTS		96,154				
<b>TOTAL REVENUE</b>	<b>43,953,377</b>	<b>49,356,384</b>	<b>49,296,031</b>	<b>53,093,372</b>	<b>7.7%</b>	<b>3,797,341</b>

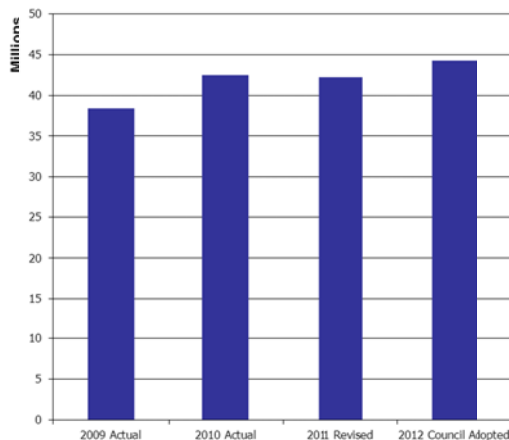
Expense by Division



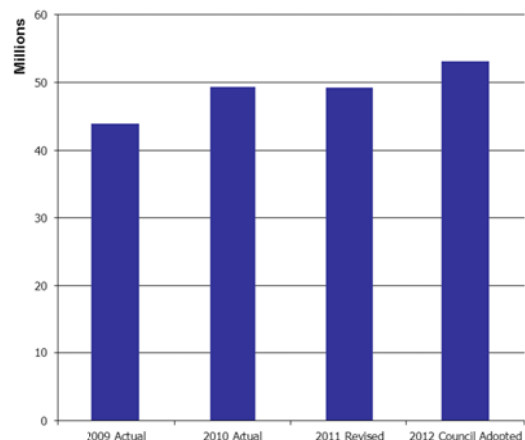
Expense by Category



Expense 2009 - 2012



Revenue 2009 - 2012

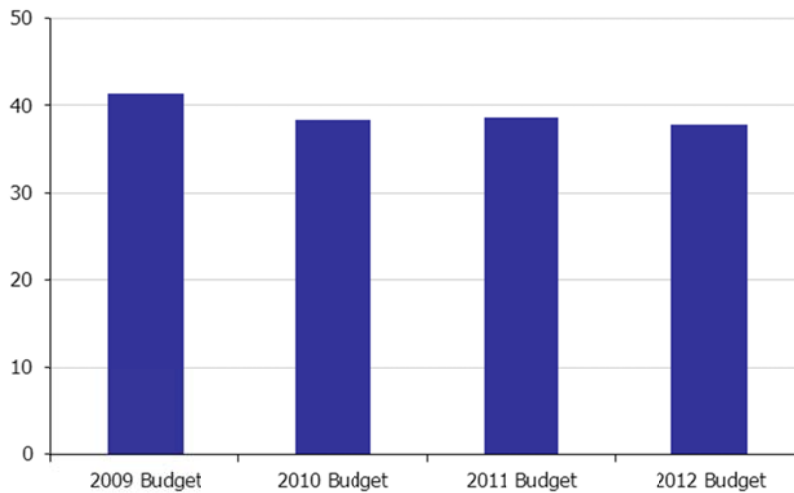


# PUBLIC WORKS - SURFACE WATER & SEWERS-SANITARY SEWER

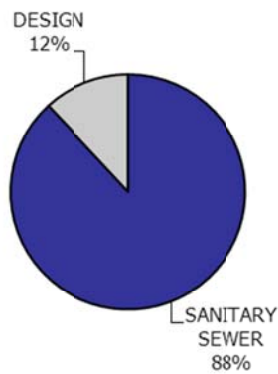
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
SANITARY SEWER	38.90	35.90	36.15	33.25	-8.0%	(2.90)
DESIGN	2.50	2.50	2.50	4.50	80.0%	2.00
<b>TOTAL</b>	<b>41.40</b>	<b>38.40</b>	<b>38.65</b>	<b>37.75</b>	<b>-2.3%</b>	<b>(0.90)</b>

## Positions 2009-2012



## Positions by Division



## **SURFACE WATER & SANITARY SEWER - STORMWATER**

### **EXPENDITURE**

The 2012 operating expense budget for Storm Water totals \$15.5 million compared to \$13.7 million for 2011, for an increase of \$1.8 million or 12.9%. The budget covers operating expenditures for Storm Water Conveyance & Treatment program which includes design, maintenance, Met Council, overflow programs, and street cleaning activities. Of this increase, \$1.3 million comes from maintenance cost center where expenses for 2012 include increased tunnel rehab work. The remaining increase of \$300,000 in the operating budget is due to increase in monthly Met Council services. In addition to operations, the 2012 Storm Water budget also funds capital programs, debt services, and MERF pension plans.

For storm water division, personnel budget includes a net increase of 0.90 positions for 2012. Positions were realigned between cost centers and Sanitary Sewer fund. This brings the FTE count for Storm Water to 53.2 compared to 52.3 for 2012.

### **REVENUE**

The operating revenue for 2012 is budgeted at \$37.8 million compared to \$35.6 million for 2011 with an increase of \$2.2 million, or 6.3%. The revenue estimates are based on utility charges, maintenance agreement, design and miscellaneous charges. Utility charges or the monthly service revenue budgeted at \$36.3 million makes up 96% of 2012 operating revenue budget. Increase in revenue estimates for 2012 mainly comes from Utility charges due to rate increase of 28 cents per ESU, with 2012 rate proposed at \$11.70. The rate increases were made to fund MERF pension payments, capital, and tunnel rehab programs.

### **FUND ALLOCATION**

The Stormwater division is funded out of the Stormwater enterprise fund.

*Please see the Storm Water fund financial plans in the financial plan section of this book for more information.*

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a rate increase of \$0.28 per ESU to \$11.70 in 2012. The Mayor recommended no changes to the program.

### **COUNCIL ADOPTED BUDGET**

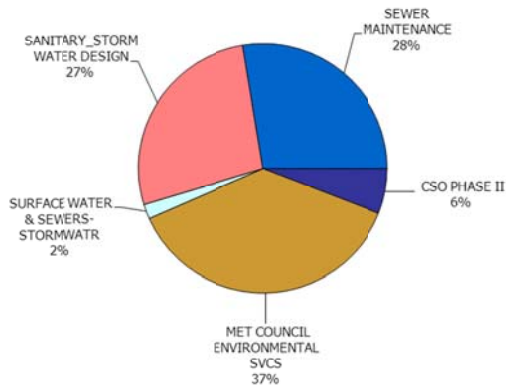
On December 16<sup>th</sup>, the Council adopted utility rates for water, sewer, stormwater and solid waste and recycling services. The Council adopted the recommended rate of \$11.70 per ESU.

**PUBLIC WORKS - SURFACE WATER & SANITARY SEWER - STORMWATER  
EXPENSE AND REVENUE INFORMATION**

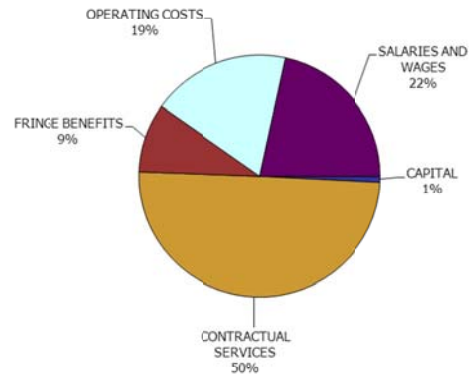
<b>EXPENSE</b>	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>Percent Change</b>	<b>Change</b>
<b>AGENCY</b>						
OPERATING COSTS		700,127			0.0%	0
<b>TOTAL AGENCY</b>		<b>700,127</b>				<b>0</b>
<b>GENERAL</b>						
OPERATING COSTS	(145)				0.0%	0
<b>TOTAL GENERAL</b>	<b>(145)</b>					<b>0</b>
<b>ENTERPRISE</b>						
CAPITAL			123,543	125,233	1.4%	1,690
CONTRACTUAL SERVICES	4,629,575	6,662,534	5,965,703	7,699,533	29.1%	1,733,830
FRINGE BENEFITS	1,251,356	1,374,367	1,377,090	1,423,762	3.4%	46,672
OPERATING COSTS	4,821,874	7,579,824	3,032,043	2,880,502	-5.0%	(151,541)
SALARIES AND WAGES	2,802,567	2,710,976	3,200,673	3,338,576	4.3%	137,902
<b>TOTAL ENTERPRISE</b>	<b>13,505,372</b>	<b>2,710,976</b>	<b>13,699,052</b>	<b>15,467,606</b>	<b>12.9%</b>	<b>1,768,554</b>
<b>TOTAL EXPENSE</b>	<b>13,505,227</b>	<b>3,411,103</b>	<b>13,699,052</b>	<b>15,467,606</b>	<b>12.9%</b>	<b>1,768,554</b>

<b>REVENUE</b>	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>Percent Change</b>	<b>Change</b>
<b>ENTERPRISE</b>						
CHARGES FOR SERVICES	36,691,541	36,107,054	35,302,439	37,659,934	6.7%	2,357,495
FINES AND FORFEITS	57,441	35,408	45,000	45,000	0.0%	
LOCAL GOVERNMENT	76,275	(106,906)	113,613	99,080	-12.8%	(14,533)
OTHER MISC REVENUES	42,350	28,471			0.0%	
SPECIAL ASSESSMENTS		322,933			0.0%	
STATE GOVERNMENT	62,343	151,842	135,325	40,821	-69.8%	(94,504)
<b>TOTAL REVENUE</b>	<b>36,929,950</b>	<b>36,538,802</b>	<b>35,596,377</b>	<b>37,844,835</b>	<b>6.3%</b>	<b>2,248,458</b>

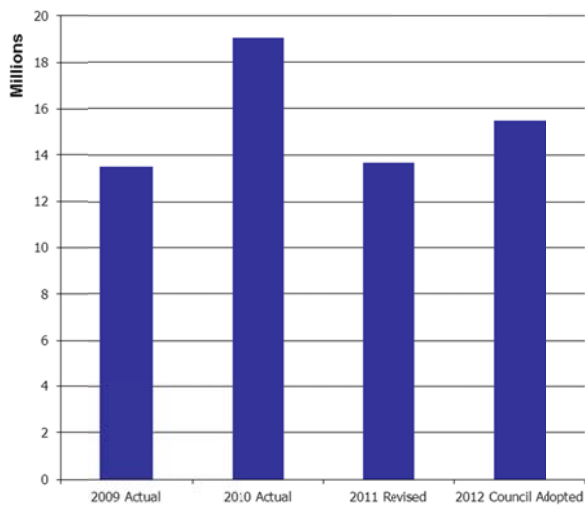
**Expense by Division**



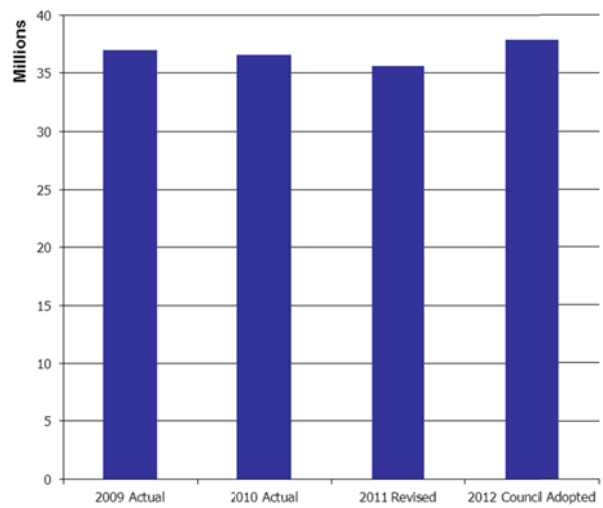
**Expense by Category**



**Expense 2009 - 2012**



**Revenue 2009 - 2012**



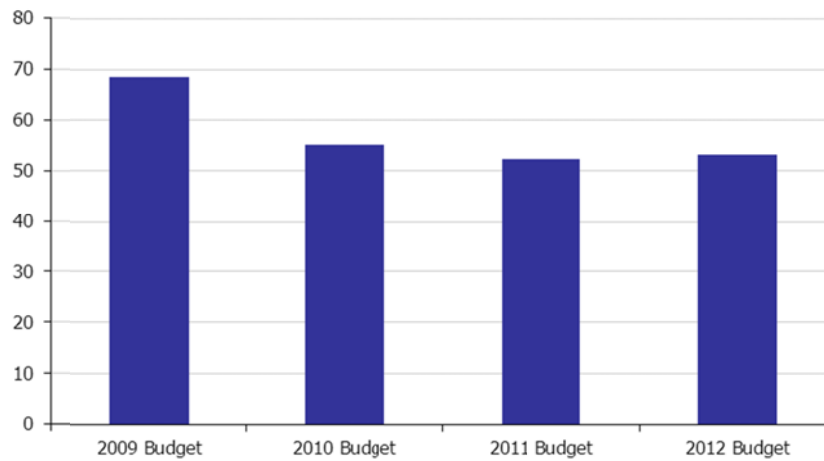


# PUBLIC WORKS - SURFACE WATER & SEWERS - STORMWATER

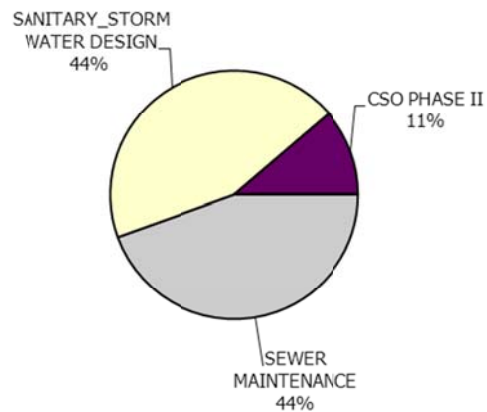
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
STORMWATER DESIGN	25.00	20.00				
SEWER MAINTENANCE	27.50	19.00	19.25	23.65	22.9%	4.40
SANITARY_STORMWATER DESIGN			20.00	23.50	17.5%	3.50
CSO PHASE II	16.00	16.00	13.00	6.00	-53.8%	(7.00)
<b>TOTAL</b>	<b>68.50</b>	<b>55.00</b>	<b>52.25</b>	<b>53.15</b>	<b>1.7%</b>	<b>0.90</b>

## Positions 2009-2012



## Positions by Division



## **TRAFFIC & PARKING SERVICES**

### **EXPENDITURE**

The 2012 budget for Traffic and Parking Services totals \$56.4 million compared to \$54.8 million for 2011. This is an increase of \$1.6 million or 2.9% over 2011. The cost of electricity increased 6% over the prior year. This budget also includes increases for new meters and a ramp automation process.

The total position count of 89 remains unchanged from 2011.

### **REVENUE**

Projected revenue of \$57.7 million for 2012 is a slight increase of 0.1% from the 2011 budget of \$57.6 million.

### **FUND ALLOCATION**

This division is funded by the Municipal Parking Fund (76% of total budget), the General Fund (24%), and the Traffic Stores Fund (1%).

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended an overall increase to the budget of 2.9%. The Mayor recommended the following changes from what departments proposed:

- **Street Lighting:** The Mayor recommended an ongoing reduction to growth of \$156,000 and 2 positions. This reduction will be offset by one-time funds of the same amount, which will delay the reduction of 2 positions. This ongoing reduction will increase the time between the report of needed street light maintenance and the repairs.
- **Traffic:** The Mayor recommended an ongoing reduction to growth of \$108,000 and one position. This reduction will be offset by one-time funds of \$94,000, which will delay the position reduction.

The Mayor recommended no changes to the other programs.

### **COUNCIL ADOPTED BUDGET**

The Council adopted the Mayor's recommendations.

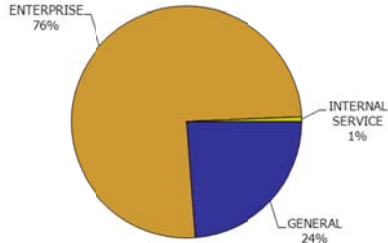
**PUBLIC WORKS - TRAFFIC AND PARKING SERVICES**

**EXPENSE AND REVENUE INFORMATION**

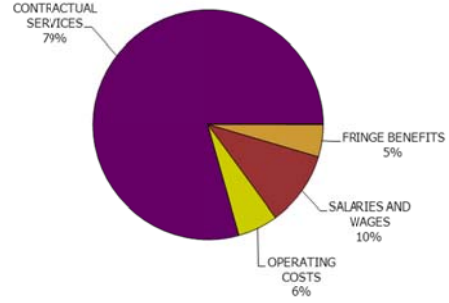
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	636,017	6,065,222			0.0%	0
<b>TOTAL AGENCY</b>	<b>636,017</b>	<b>6,065,222</b>				<b>0</b>
<b>GENERAL</b>						
CAPITAL		1,608			0.0%	0
CONTRACTUAL SERVICES	6,612,910	6,353,932	6,761,265	7,177,324	6.2%	416,059
FRINGE BENEFITS	1,133,030	1,281,957	1,176,032	1,467,977	24.8%	291,945
OPERATING COSTS	1,204,301	1,500,599	1,195,630	1,604,657	34.2%	409,027
SALARIES AND WAGES	2,533,073	2,771,490	2,756,416	3,166,933	14.9%	410,516
<b>TOTAL GENERAL</b>	<b>11,483,314</b>	<b>11,909,586</b>	<b>11,889,344</b>	<b>13,416,891</b>	<b>12.8%</b>	<b>1,527,547</b>
<b>INTERNAL SERVICE</b>						
CONTRACTUAL SERVICES	89,911	96,273	70,894	74,805	5.5%	3,911
FRINGE BENEFITS	99,671	115,067	65,119	99,673	53.1%	34,553
OPERATING COSTS	(395,386)	(167,755)	31,661	36,100	14.0%	4,439
SALARIES AND WAGES	167,946	163,429	164,570	164,733	0.1%	164
<b>TOTAL INTERNAL SERVICE</b>	<b>(37,858)</b>	<b>207,013</b>	<b>332,244</b>	<b>375,311</b>	<b>13.0%</b>	<b>43,067</b>
<b>ENTERPRISE</b>						
CAPITAL			9,572	9,726	1.6%	154
CONTRACTUAL SERVICES	32,504,989	37,773,073	36,805,425	37,473,542	1.8%	668,117
FRINGE BENEFITS	1,166,868	1,243,547	1,319,529	1,009,950	-23.5%	(309,578)
OPERATING COSTS	3,993,940	7,920,619	1,490,380	1,531,859	2.8%	41,479
SALARIES AND WAGES	2,786,614	2,920,738	2,928,898	2,538,649	-13.3%	(390,249)
<b>TOTAL ENTERPRISE</b>	<b>40,452,410</b>	<b>49,857,978</b>	<b>42,553,804</b>	<b>42,563,727</b>	<b>0.0%</b>	<b>9,922</b>
<b>TOTAL EXPENSE</b>	<b>52,533,884</b>	<b>68,039,800</b>	<b>54,775,392</b>	<b>56,355,929</b>	<b>2.9%</b>	<b>1,580,537</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	42,051	38,007	13,500	15,000	11.1%	1,500
CHARGES FOR SERVICES	280,904	114,533	435,000	435,000	0.0%	0
FEDERAL GOVERNMENT	113,549				0.0%	0
FRANCHISE FEES	117,817	123,925			0.0%	0
LICENSE AND PERMITS	723,958	599,757	710,000	600,000	-15.5%	(110,000)
LOCAL GOVERNMENT	358,429	842,509	568,437	406,230	-28.5%	(162,207)
OTHER MISC REVENUES	217,739	268,767	125,000	85,000	-32.0%	(40,000)
SPECIAL ASSESSMENTS	5,089	190,542	110,000	150,000	36.4%	40,000
STATE GOVERNMENT	1,065,009	1,259,782	1,136,518	816,470	-28.2%	(320,048)
<b>TOTAL GENERAL</b>	<b>2,924,545</b>	<b>3,437,823</b>	<b>3,098,455</b>	<b>2,507,700</b>	<b>-19.1%</b>	<b>(590,755)</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	44,559	14,322	20,000	10,000	-50.0%	(10,000)
CHARGES FOR SERVICES	586,367	547,631	587,000	500,000	-14.8%	(87,000)
<b>TOTAL INTERNAL SERVICE</b>	<b>630,926</b>	<b>561,953</b>	<b>607,000</b>	<b>510,000</b>	<b>-16.0%</b>	<b>(97,000)</b>
<b>ENTERPRISE</b>						
CHARGES FOR SALES	1,204,484	1,670,274	1,550,000	1,670,000	7.7%	120,000
CHARGES FOR SERVICES	50,925,562	56,275,075	52,100,500	52,191,878	0.2%	91,378
LICENSE AND PERMITS	288,387	291,584	240,000	240,000	0.0%	0
OTHER MISC REVENUES	12,187	8,155	46,500	46,500	0.0%	0
RENTS	3,551	2,809	3,500	3,500	0.0%	0
SPECIAL ASSESSMENTS	543,481	542,886		543,157	0.0%	543,157
<b>TOTAL ENTERPRISE</b>	<b>52,977,652</b>	<b>58,790,783</b>	<b>53,940,500</b>	<b>54,695,035</b>	<b>1.4%</b>	<b>754,535</b>
<b>TOTAL REVENUE</b>	<b>56,533,122</b>	<b>62,790,559</b>	<b>57,645,955</b>	<b>57,712,735</b>	<b>0.1%</b>	<b>66,780</b>

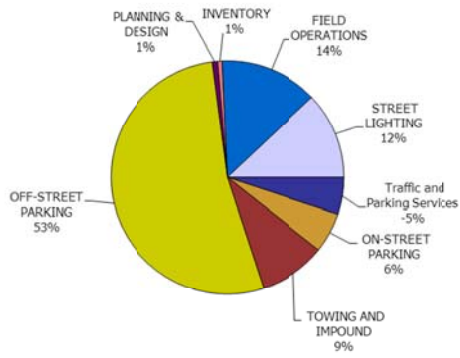
**Expense by Fund**



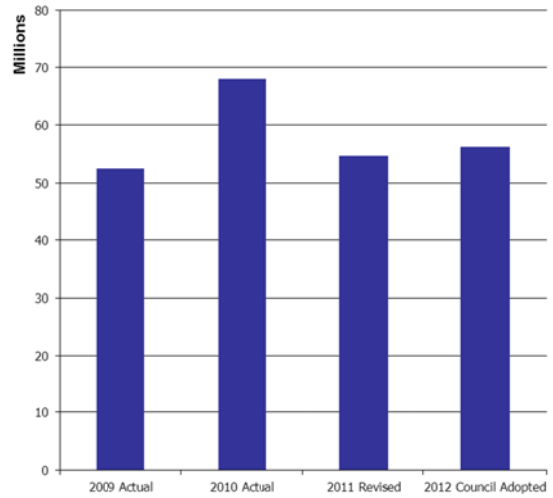
**Expense by Category**



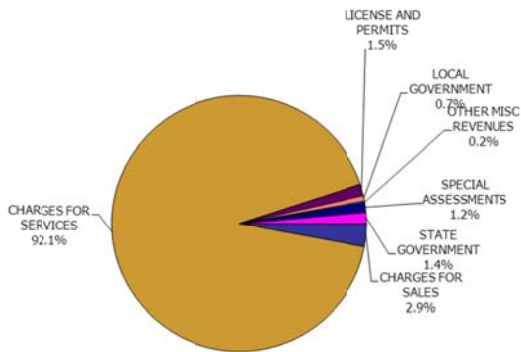
**Expense by Division**



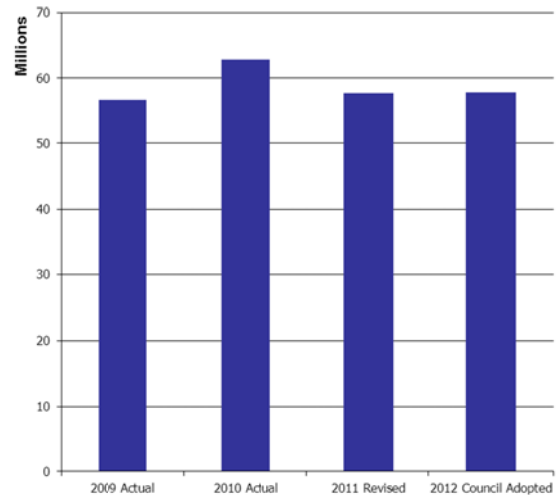
**Expense 2009 - 2012**



**Direct Revenue by Type**



**Revenue 2009 - 2012**

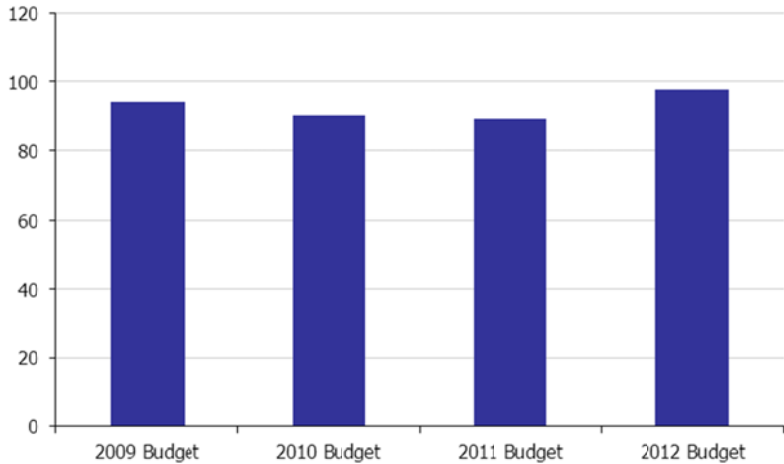


# PUBLIC WORKS - TRAFFIC AND PARKING SERVICES

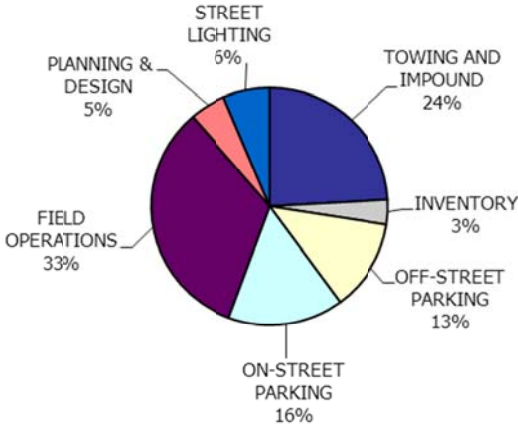
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
TOWING AND IMPOUND	25.60	22.85	21.85	21.45	-1.8%	(0.40)
INVENTORY	2.00	3.00	3.00	3.00	0.0%	
OFF-STREET PARKING	14.10	11.10	12.10	11.10	-8.3%	(1.00)
ON-STREET PARKING	10.83	12.15	12.15	13.95	14.8%	1.80
FIELD OPERATIONS	31.10	30.40	29.80	29.40	-1.3%	(0.40)
PLANNING & DESIGN	5.25	5.25	4.45	4.45	0.0%	
STREET LIGHTING	5.25	5.25	5.65	5.65	0.0%	
<b>TOTAL</b>	<b>94.13</b>	<b>90.00</b>	<b>89.00</b>	<b>89.00</b>	<b>0.0%</b>	

**Positions 2009-2012**



**Positions by Division**



## **TRANSPORTATION MAINTENANCE & REPAIR**

### **EXPENDITURE**

The division's 2012 expense budget of \$41.7 million reflects a 1.1% increase over the 2011 budget, or \$440,000. The Ramp Maintenance division of Property Services remains in Public Works in this division. The increase is attributable to rises in equipment costs in the Bridge Maintenance area.

This is a decrease of 4.2 vacant positions in the division's workforce from the 2011 level.

### **REVENUE**

The department's revenue budget is \$16.1 million, a \$586,000 or 3.5% decrease from the 2011 budget.

### **FUND ALLOCATION**

The department is funded by the General Fund (65%), Permanent Improvement fund (2%), the Stormwater Fund (19%) and the Downtown Improvement District special revenue Fund (14%). The General Fund budget includes Bridge, Street Maintenance, Snow and Ice, Ramp Maintenance and Malls and Plazas.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended an overall increase to the budget of 1.1%. The Mayor recommended the following changes from what departments proposed:

- Bridge Maintenance and Repair: The Mayor recommended a reduction to growth of \$25,000 from contractual services. This reduction will reduce professional services used to support bridge maintenance activities without a noticeable impact to the public.
- Street Maintenance & Repair: The Mayor recommended a reduction to growth of \$306,000. This reduction will eliminate preventative maintenance on residential and local streets.
- Snow & Ice Control: The Mayor recommended a reduction to growth of \$700,000. This reduction will reduce snow removal provided after snow events.
- Malls & Plazas: The Mayor recommended a reduction to growth of \$200,000 and 2.5 positions. This will reduce maintenance and support activities for neighborhood gardens, center island medians, maintenance of irrigation systems, mowing and trash pickup on city-owned green spaces.

The Mayor recommended no changes to the other programs.

### **COUNCIL ADOPTED BUDGET**

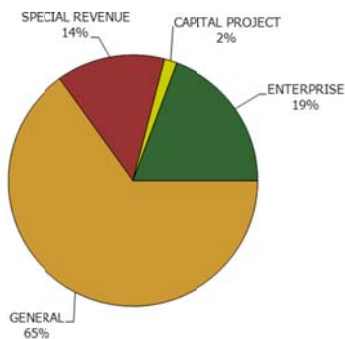
The Council adopted the Mayor's recommendations with the following technical adjustment:

- Decrease the Bridge Maintenance and Repair program by \$25,000;
- decrease the Street Maintenance and Repair program by \$100,000;
- decrease the Snow and Ice program by \$75,000;
- and increase the Malls and Plazas program by \$200,000.

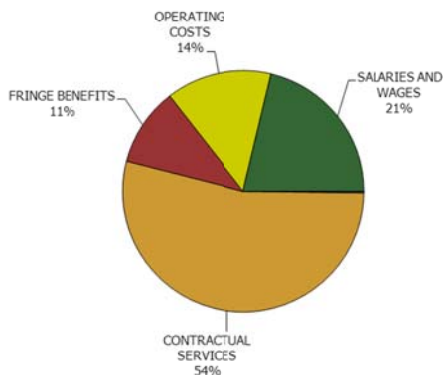
**PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	312,090	3,806,434			0.0%	0
<b>TOTAL AGENCY</b>	<b>312,090</b>	<b>3,806,434</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	2,935,513	5,732,307	5,800,000	5,800,000	0.0%	0
FRINGE BENEFITS	2,023				0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>2,937,536</b>	<b>5,732,307</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CAPITAL	69,700	90,799	83,962	85,305	1.6%	1,343
CONTRACTUAL SERVICES	11,606,626	13,747,293	11,553,985	11,198,531	-3.1%	(355,454)
FRINGE BENEFITS	3,665,150	3,805,857	3,506,668	3,561,882	1.6%	55,214
OPERATING COSTS	4,732,681	5,300,501	4,309,825	5,400,805	25.3%	1,090,980
SALARIES AND WAGES	7,584,178	7,236,731	7,278,320	6,889,639	-5.3%	(388,681)
<b>TOTAL GENERAL</b>	<b>27,658,335</b>	<b>30,181,181</b>	<b>26,732,760</b>	<b>27,136,162</b>	<b>1.5%</b>	<b>403,402</b>
<b>CAPITAL PROJECT</b>						
CAPITAL		77,032			0.0%	0
CONTRACTUAL SERVICES	250,162	198,346	197,621	206,176	4.3%	8,555
FRINGE BENEFITS	116,509	108,160	134,022	137,373	2.5%	3,352
OPERATING COSTS	5,413	10,698	11,225	12,700	13.1%	1,475
SALARIES AND WAGES	328,217	312,323	316,978	325,643	2.7%	8,665
<b>TOTAL CAPITAL PROJECT</b>	<b>700,302</b>	<b>706,559</b>	<b>659,846</b>	<b>681,892</b>	<b>3.3%</b>	<b>22,046</b>
<b>ENTERPRISE</b>						
CONTRACTUAL SERVICES	5,173,648	5,024,215	5,451,131	5,211,631	-4.4%	(239,500)
FRINGE BENEFITS	526,766	495,024	631,685	677,918	7.3%	46,233
OPERATING COSTS	471,108	517,392	415,515	521,504	25.5%	105,989
SALARIES AND WAGES	1,101,906	986,811	1,542,156	1,645,109	6.7%	102,953
<b>TOTAL ENTERPRISE</b>	<b>7,273,428</b>	<b>7,023,442</b>	<b>8,040,487</b>	<b>8,056,162</b>	<b>0.2%</b>	<b>15,675</b>
<b>TOTAL EXPENSE</b>	<b>38,881,691</b>	<b>47,449,923</b>	<b>41,233,093</b>	<b>41,674,216</b>	<b>1.1%</b>	<b>441,124</b>
<b>REVENUE</b>						
<b>AGENCY</b>						
GAINS		(442)			0.0%	0
LONG TERM LIABILITIES PROCEEDS		442			0.0%	0
<b>TOTAL AGENCY</b>		<b>0</b>			<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CHARGES FOR SALES	14,919	5,520	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	6,123,841	5,741,918	5,418,000	5,381,274	-0.7%	(36,726)
FRANCHISE FEES			210,000	100,000	-52.4%	(110,000)
LOCAL GOVERNMENT	84,037	142,207	125,175	125,175	0.0%	0
OTHER MISC REVENUES	10,498	79,958	1,000	1,000	0.0%	0
SPECIAL ASSESSMENTS	901,072	822,230	792,804	792,804	0.0%	0
STATE GOVERNMENT	2,064,515	3,513,249	2,730,360	2,730,360	0.0%	0
<b>TOTAL GENERAL</b>	<b>9,198,882</b>	<b>10,305,083</b>	<b>9,287,339</b>	<b>9,140,613</b>	<b>-1.6%</b>	<b>(146,726)</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES		1,355			0.0%	0
OTHER MISC REVENUES	1,417,093	198,126			0.0%	0
SPECIAL ASSESSMENTS	1,199,077	6,406,987	5,800,000	5,800,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>2,616,169</b>	<b>6,606,468</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>	<b>0</b>
<b>CAPITAL PROJECT</b>						
LICENSE AND PERMITS	334,445	278,650	260,000	260,000	0.0%	0
SPECIAL ASSESSMENTS	127,232	212,283	60,000	60,000	0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>461,676</b>	<b>490,933</b>	<b>320,000</b>	<b>320,000</b>	<b>0.0%</b>	<b>0</b>
<b>ENTERPRISE</b>						
CHARGES FOR SALES	1,757	504			0.0%	0
CHARGES FOR SERVICES	15,305	8,076	10,000	10,000	0.0%	0
LOCAL GOVERNMENT	220,233	372,678	328,041	146,437	-55.4%	(181,604)
SPECIAL ASSESSMENTS	68,468	179,318	60,000	60,000	0.0%	0
STATE GOVERNMENT	668,444	996,124	886,857	628,793	-29.1%	(258,064)
<b>TOTAL ENTERPRISE</b>	<b>974,207</b>	<b>1,556,699</b>	<b>1,284,898</b>	<b>845,230</b>	<b>-34.2%</b>	<b>(439,668)</b>
<b>TOTAL REVENUE</b>	<b>13,250,934</b>	<b>18,959,182</b>	<b>16,692,237</b>	<b>16,105,843</b>	<b>-3.5%</b>	<b>(586,394)</b>

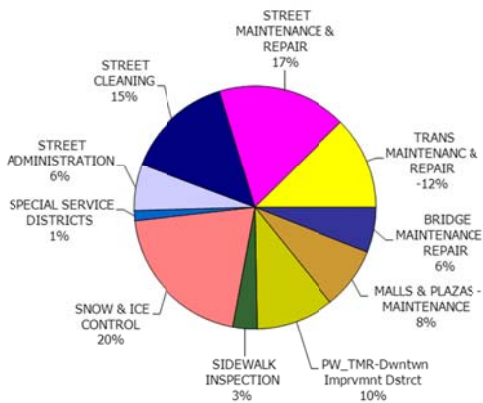
**Expense by Fund**



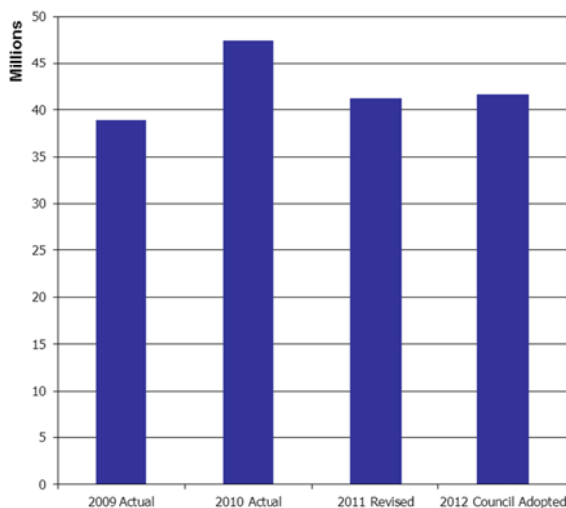
**Expense by Category**



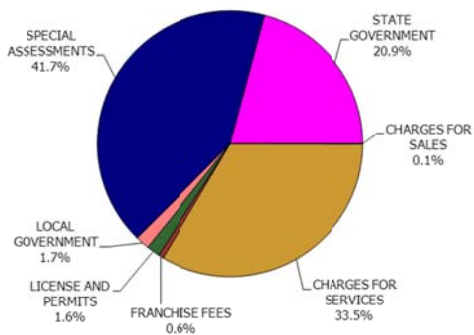
**Expense by Division**



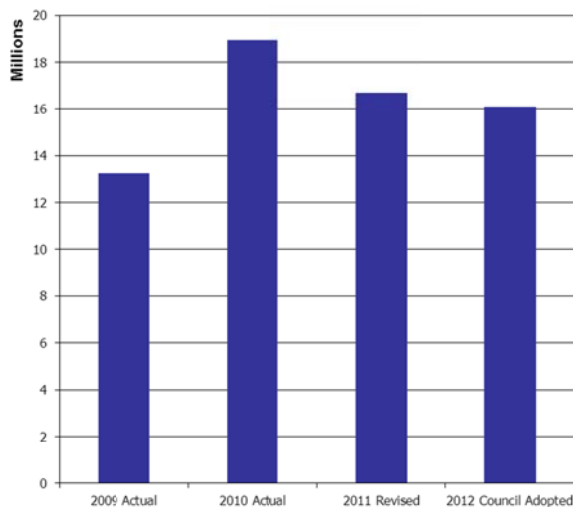
**Expense 2009 - 2012**



**Direct Revenue by Type**



**Revenue 2009 - 2012**



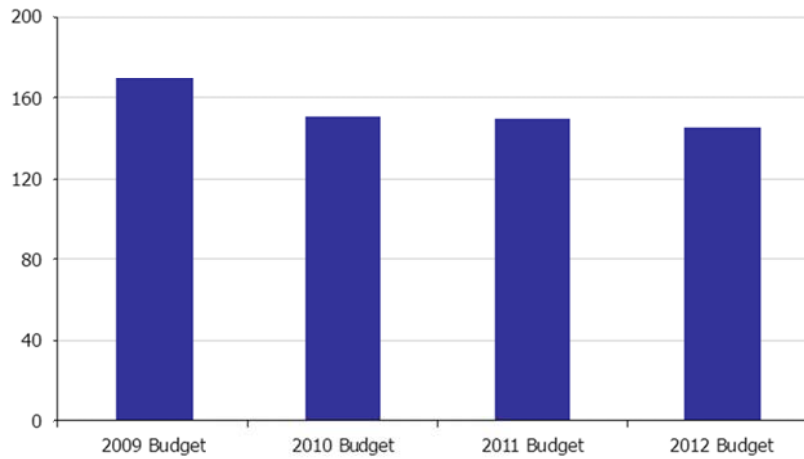


# PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR

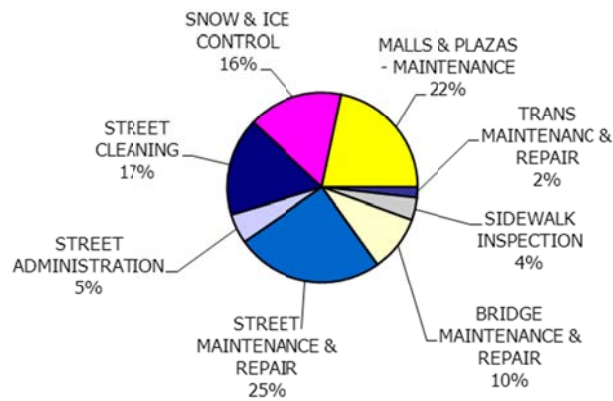
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
BRIDGE MAINTENANCE & REPAIR	14.00	12.00	12.00	12.00	0.0%	
SNOW & ICE CONTROL	30.40	25.55	26.00	26.00	0.0%	
RAMP MAINTENANCE	24.90	20.80	19.50	17.00	-12.8%	(2.50)
STREET CLEANING	26.80	27.00	28.05	28.05	0.0%	
SIDEWALK INSPECTION	6.00	6.00	6.00	6.00	0.0%	
STREET ADMINISTRATION	10.50	8.50	8.50	8.50	0.0%	
STREET MAINTENANCE & REPAIR	41.50	40.50	39.00	37.32	-4.3%	(1.68)
MALLS & PLAZAS - MAINTENANCE	9.40	10.40	10.40	10.40	0.0%	
NICOLLET MALL	6.10					
<b>TOTAL</b>	<b>169.60</b>	<b>150.75</b>	<b>149.45</b>	<b>145.27</b>	<b>-2.8%</b>	<b>(4.18)</b>

## Positions 2009-2012



## Positions by Division



## **TRANSPORTATION PLANNING & ENGINEERING**

### **EXPENDITURE**

Transportation Planning & Engineering is comprised of Transportation Design as well as Right of Way Management, Pavement Management, Utility Connections, the Engineering Lab and Bridge Inspections. Asphalt and Concrete are no longer recorded as inventory transactions and the cost of goods sold is no longer budgeted in these areas.

The total budget for this department in 2012 is \$11.4 million, a 3.1% decrease from 2011.

The division decreased 1 vacant position from the 2011 total of 78.

### **REVENUE**

Total revenues for 2012 are budgeted at \$5 million, an increase of 1.2% from 2011. The increase is partially attributable to an increase in utility revenue received.

### **FUND ALLOCATION**

The Transportation Planning & Engineering division is now funded by the General Fund (24%), the Capital Improvements Fund (63%) and the Engineering Materials and Testing internal service fund (13%).

The General Fund consists of the Right of Way Management, Special Assessments, Pavement Management, Transportation Planners, Utilities Connections and Bridge Inspections.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended an overall decrease to the budget of 3.1%. The Mayor recommended the following changes from what departments proposed:

- Transportation Planning & Management: The Mayor recommended an increase of \$200,000 to fund work on capital projects for which costs are not recoverable.

The Mayor recommended no changes to the other programs.

### **COUNCIL ADOPTED BUDGET**

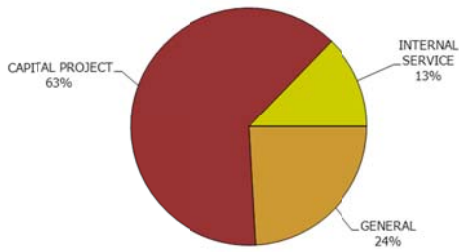
The Council adopted the Mayor's recommendations.

**PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING  
EXPENSE AND REVENUE INFORMATION**

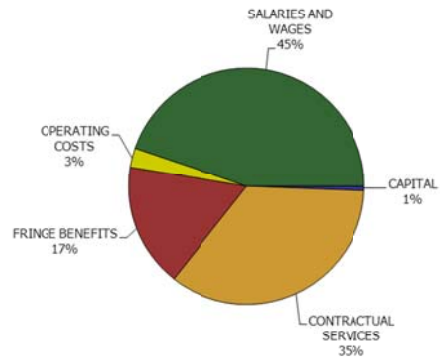
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	48	357,102			0.0%	0
<b>TOTAL AGENCY</b>	<b>48</b>	<b>357,102</b>				<b>0</b>
<b>ENTERPRISE</b>						
OPERATING COSTS	135				0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>135</b>					<b>0</b>
<b>GENERAL</b>						
CAPITAL			11,400	11,660	2.3%	260
CONTRACTUAL SERVICES	139,617	169,709	422,002	641,408	52.0%	219,406
FRINGE BENEFITS	351,054	450,580	494,053	551,494	11.6%	57,441
OPERATING COSTS	22,373	40,437	41,240	47,916	16.2%	6,676
SALARIES AND WAGES	947,980	1,185,266	1,263,272	1,496,407	18.5%	233,135
<b>TOTAL GENERAL</b>	<b>1,461,024</b>	<b>1,845,992</b>	<b>2,231,967</b>	<b>2,748,884</b>	<b>23.2%</b>	<b>516,917</b>
<b>CAPITAL PROJECT</b>						
CAPITAL			47,104	57,858	22.8%	10,754
CONTRACTUAL SERVICES	1,876,002	2,039,869	3,022,218	2,900,495	-4.0%	(121,723)
FRINGE BENEFITS	1,048,108	1,158,601	1,214,726	1,124,496	-7.4%	(90,230)
OPERATING COSTS	123,139	93,945	623,901	174,122	-72.1%	(449,780)
SALARIES AND WAGES	2,778,817	2,904,728	3,171,995	2,943,646	-7.2%	(228,349)
<b>TOTAL CAPITAL PROJECT</b>	<b>5,826,066</b>	<b>6,197,143</b>	<b>8,079,944</b>	<b>7,200,616</b>	<b>-10.9%</b>	<b>(879,328)</b>
<b>INTERNAL SERVICE</b>						
CAPITAL	20				0.0%	0
CONTRACTUAL SERVICES	272,814	389,561	434,036	457,597	5.4%	23,561
FRINGE BENEFITS	214,035	216,141	255,704	255,949	0.1%	245
OPERATING COSTS	(13,659)	106,299	133,549	79,653	-40.4%	(53,896)
SALARIES AND WAGES	533,353	544,902	644,458	666,771	3.5%	22,313
<b>TOTAL INTERNAL SERVICE</b>	<b>1,006,563</b>	<b>1,256,903</b>	<b>1,467,747</b>	<b>1,459,970</b>	<b>-0.5%</b>	<b>(7,777)</b>
<b>TOTAL EXPENSE</b>	<b>8,293,835</b>	<b>9,657,139</b>	<b>11,779,658</b>	<b>11,409,470</b>	<b>-3.1%</b>	<b>(370,188)</b>

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SERVICES	628,378	567,817	530,848	550,000	3.6%	19,152
LICENSE AND PERMITS	24,330	24,010	26,000	26,000	0.0%	0
OTHER MISC REVENUES	807		100	100	0.0%	0
<b>TOTAL GENERAL</b>	<b>653,515</b>	<b>591,827</b>	<b>556,948</b>	<b>576,100</b>	<b>3.4%</b>	<b>19,152</b>
<b>CAPITAL PROJECT</b>						
CHARGES FOR SALES	606	255	300		-100.0%	(300)
CHARGES FOR SERVICES	5,947,424	361,775	2,800,000	2,900,000	3.6%	100,000
FEDERAL GOVERNMENT	113,485				0.0%	0
LOCAL GOVERNMENT	74,400				0.0%	0
OTHER MISC REVENUES	2,394	2,499	500	500	0.0%	0
STATE GOVERNMENT		499,663			0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>6,138,309</b>	<b>864,192</b>	<b>2,800,800</b>	<b>2,900,500</b>	<b>3.6%</b>	<b>99,700</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	562,729	370,882	352,000	352,000	0.0%	0
CHARGES FOR SERVICES	830,165	1,194,104	1,260,678	1,200,000	-4.8%	(60,678)
OTHER MISC REVENUES	373	500			0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,393,267</b>	<b>1,565,486</b>	<b>1,612,678</b>	<b>1,552,000</b>	<b>-3.8%</b>	<b>(60,678)</b>
<b>TOTAL REVENUE</b>	<b>8,185,091</b>	<b>3,021,505</b>	<b>4,970,426</b>	<b>5,028,600</b>	<b>1.2%</b>	<b>58,174</b>

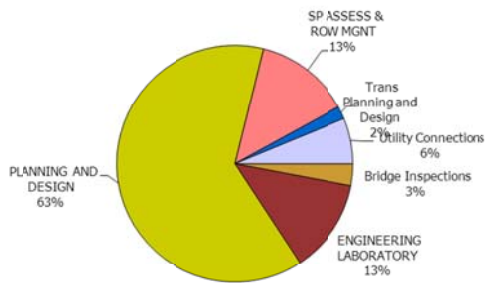
**Expense by Fund**



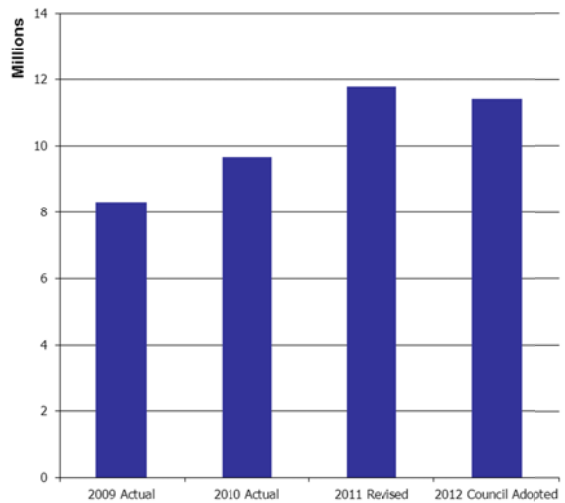
**Expense by Category**



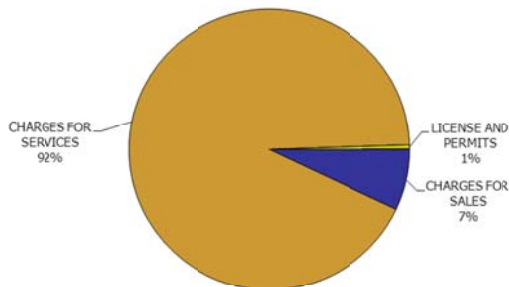
**Expense by Division**



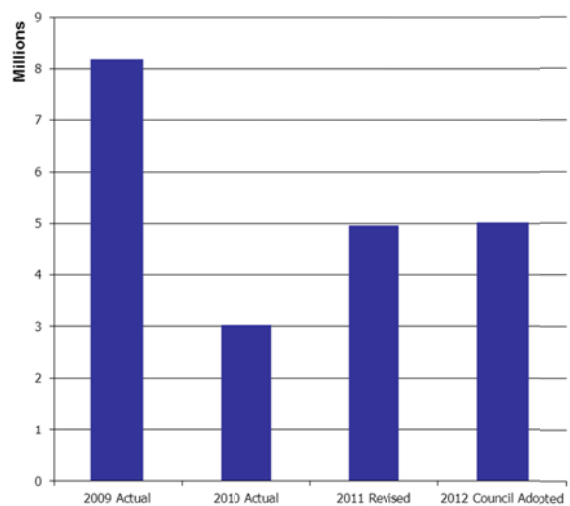
**Expense 2009 - 2012**



**Direct Revenue by Type**



**Revenue 2009 - 2012**

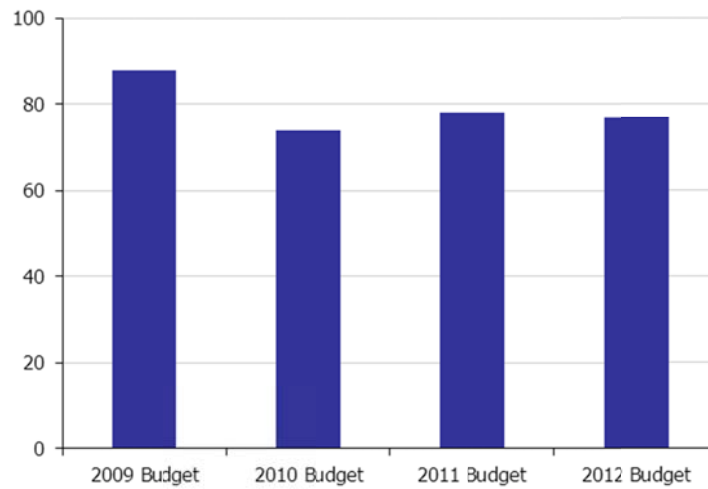


# PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING

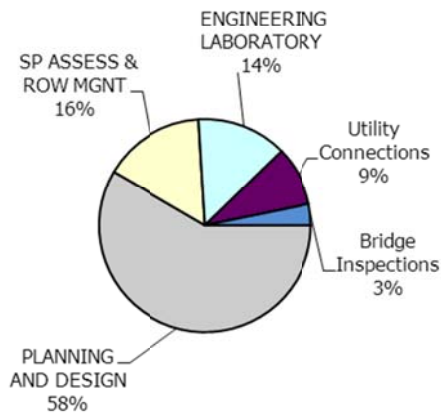
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ENGINEERING LABORATORY	13.50	7.50	10.50	10.50	0.0%	
Utility Connections	7.00	7.00	7.00	7.00	0.0%	
Bridge Inspections		2.00	2.00	2.50	25.0%	0.50
PLANNING AND DESIGN	56.00	48.00	48.00	45.00	-6.3%	(3.00)
Asphalt Distribution	1.00					
SP ASSESS & ROW MGNT	10.50	9.50	10.50	12.00	14.3%	1.50
<b>TOTAL</b>	<b>88.00</b>	<b>74.00</b>	<b>78.00</b>	<b>77.00</b>	<b>-1.3%</b>	<b>(1.00)</b>

## Positions 2009-2012



## Positions by Division



## **WATER TREATMENT & DISTRIBUTION SERVICES**

### **EXPENDITURE**

The 2012 expense budget increased from 5.6% from the 2011 budget of \$48.4 million in 2011 to \$51.1 million in 2012.

A total of 2.5 positions were eliminated bringing the total number of positions to 204.5 from the 2011 budget of 207, a 1.2% decrease. The reductions allow for better alignment with operations.

### **REVENUE**

The 2011 revenue is projected to slightly increase by 0.2% to \$75.4 million in 2012. In the 2010 budget the revenue was conservatively projected and combined with the commercial meters currently being tested to verify the gallons of water sold, the revenue is projected to increase 10% in 2010 and for 2011 is expected to increase 21.9% over the 2010 budget.

### **FUND ALLOCATION**

The division is funded by the Water enterprise fund. Due to the revenue increases attributable to the commercial meter testing, the Pay-As-You-Go capital activities were increased in 2011 by \$4 million. This increase will be mostly used to restore the water pipe lining activities.

### **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended a water utility rate increase of \$0.16 to \$3.36 per unit in 2012. The Mayor recommended no changes to the program.

### **COUNCIL ADOPTED BUDGET**

On December 16<sup>th</sup>, Council adopted the utility rates for water, sewer, stormwater and solid waste and recycling services effective January 1, 2012. The resolution included changes to sewer and water rates. The variable rate component will remain flat from 2011 at \$3.20.

In addition to rates based on water usage, a fixed charge based on meter size will be included in each billing period. The monthly fixed charge ranges from \$2.00 for a 5/8 inch meter to \$660 for a 12 inch meter.

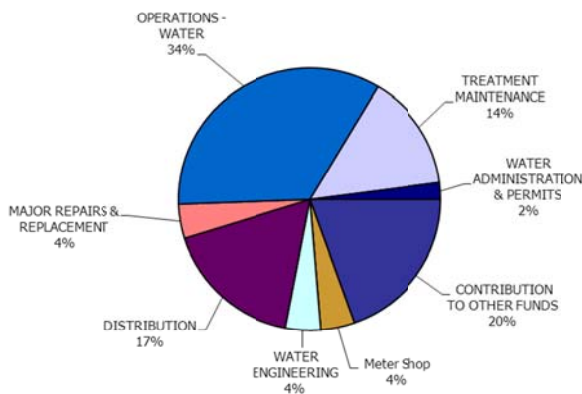
Additionally, the Council approved a technical adjustment of 6.34 FTE from the Mayor's recommendation to be funded within existing resources.

## PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION EXPENSE AND REVENUE INFORMATION

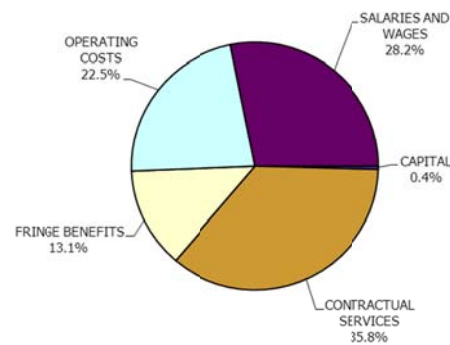
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(47,675)				0.0%	0
<b>TOTAL AGENCY</b>	<b>(47,675)</b>					<b>0</b>
<b>ENTERPRISE</b>						
CAPITAL	93,094	311,800	1,643,846	222,651	-86.5%	(1,421,195)
CONTRACTUAL SERVICES	17,799,786	17,310,874	15,919,006	18,283,377	14.9%	2,364,371
FRINGE BENEFITS	6,456,740	7,218,608	5,446,634	6,715,764	23.3%	1,269,130
OPERATING COSTS	16,393,775	17,559,907	10,758,888	11,483,923	6.7%	725,035
SALARIES AND WAGES	13,258,317	13,327,980	14,609,015	14,399,782	-1.4%	(209,234)
<b>TOTAL ENTERPRISE</b>	<b>54,001,712</b>	<b>55,729,170</b>	<b>48,377,390</b>	<b>51,105,497</b>	<b>5.6%</b>	<b>2,728,107</b>
<b>TOTAL EXPENSE</b>	<b>53,954,037</b>	<b>55,729,170</b>	<b>48,377,390</b>	<b>51,105,497</b>	<b>5.6%</b>	<b>2,728,107</b>

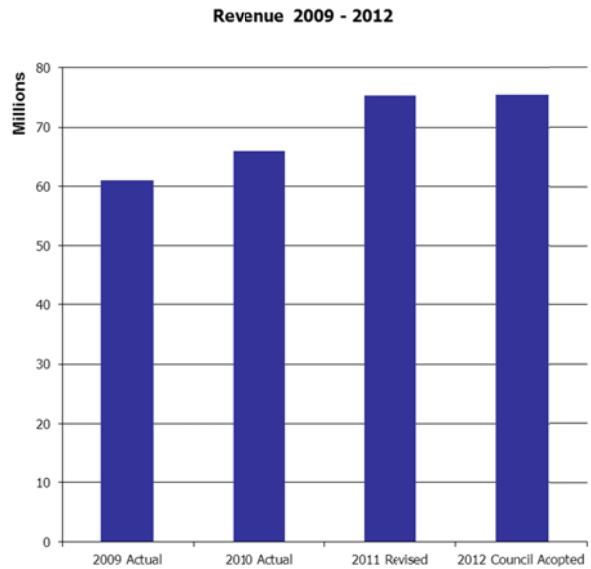
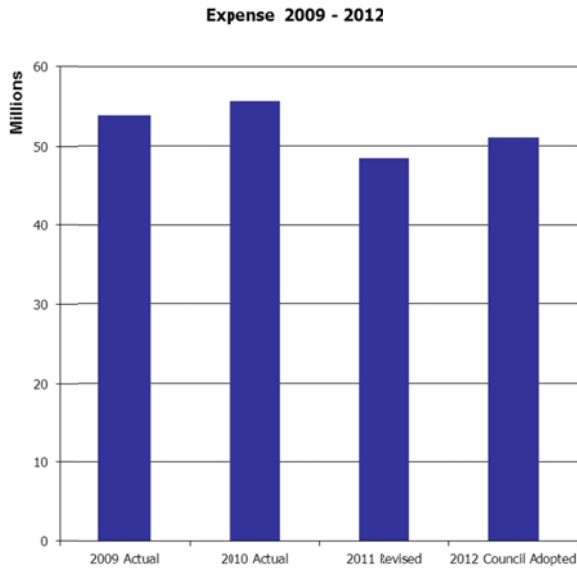
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>ENTERPRISE</b>						
CHARGES FOR SALES	7,697	43,188	1,904	25,000	1,213.0%	23,096
CHARGES FOR SERVICES	66,525,140	65,473,761	75,309,572	75,333,985	0.0%	24,413
LICENSE AND PERMITS	1,967	1,076	1,000	1,100	10.0%	100
LONG TERM LIABILITIES PROCEEDS	(5,536,059)				0.0%	0
OTHER MISC REVENUES	33,708	6,827			0.0%	0
SPECIAL ASSESSMENTS	498	420,217	510	90,000	17,547.1%	89,490
<b>TOTAL REVENUE</b>	<b>61,032,950</b>	<b>65,945,069</b>	<b>75,312,986</b>	<b>75,450,085</b>	<b>0.2%</b>	<b>137,099</b>

Expense by Division



Expense by Category



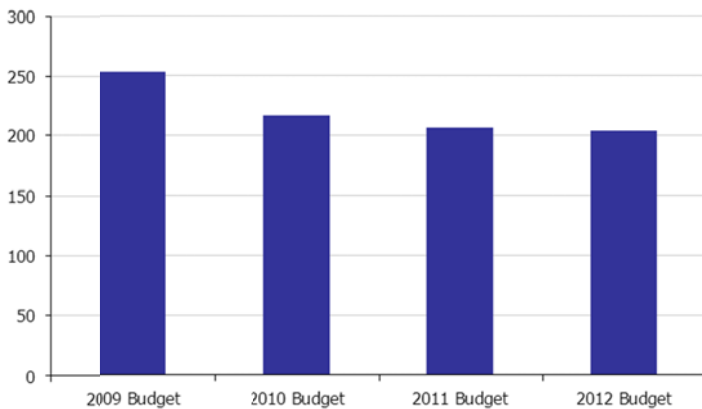


## PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION

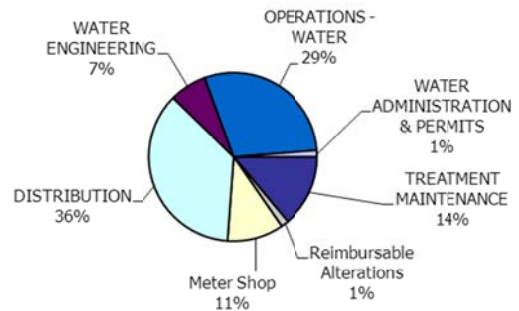
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
TREATMENT MAINTENANCE	57.00	33.67	30.50	28.50	-6.6%	(2.00)
Reimbursable Alterations				3.00	0.0%	3.00
Meter Shop		23.00	22.00	22.00	0.0%	
DISTRIBUTION	90.00	73.00	68.00	74.00	8.8%	6.00
WATER ENGINEERING	21.00	15.00	14.50	14.50	0.0%	
MAJOR REPAIRS & REPLACEMENT			3.00		-100.0%	(3.00)
OPERATIONS - WATER	76.75	65.00	63.00	60.00	-4.8%	(3.00)
WATER ADMINISTRATION & PERMITS	8.00	7.00	6.00	2.50	-58.3%	(3.50)
<b>TOTAL</b>	<b>252.75</b>	<b>216.67</b>	<b>207.00</b>	<b>204.50</b>	<b>-1.2%</b>	<b>(2.50)</b>

**Positions 2009-2012**



**Positions by Division**





## REGULATORY SERVICES

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### MISSION

Working to ensure the safety, health, and livability of our community through information, education, regulation, and enforcement of applicable laws and regulations.

### BUSINESS LINES

#### Administration and Operations

- **Administration** -human resources management and business planning.
- **Operations** -financial management, citation management, technology management, internet management, grant management, travel management, fleet management and project management.

#### Inspections Services

- **Development Review Services (formerly Minneapolis One Stop)**—provides efficient ways for the public to work with the City to obtain development or building applications and reviews, permitting, licensing, zoning, and inspections services in one location, both in person and on the Web.
- **Construction Code Services**—provides quality plan review and construction inspection services to citizens, businesses, developers, contractors, and design professionals.
- **Traffic Control**—provides traffic flow management for events and other traffic situations, as well as parking enforcement.

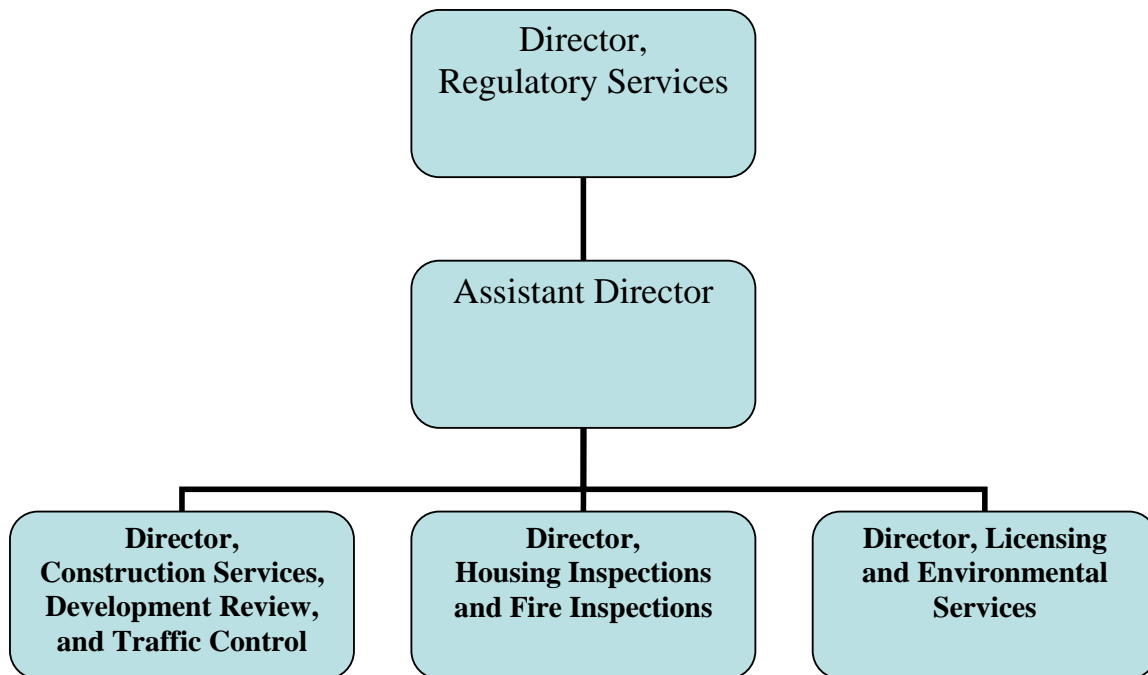
#### Housing Inspection Services

- **Housing Inspection Services**—provides quality education and consistent enforcement of Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and protect the housing stock and the livability of the City's housing. The Problem Properties Unit provides a multi-departmental, multi-agency initiative to reduce the number and severity of problem properties in the city.
- **Fire Inspection Services**—provides quality education and consistent enforcement of Fire Inspection codes to maintain, improve, and protect commercial and housing stock.

#### Licenses and Environmental Services

- **Business Licensing Services**—provides education and enforcement of the City's codes related to business licensing, including food, liquor, construction trades, and taxi cabs.
- **Environmental Management & Safety**—provides education and enforcement of the City's codes related to animal control, safe food, air and water quality, and a clean, healthy outdoor environment.

## ORGANIZATION CHART



### Construction Code Services (CCS)

#### *Regulatory Services*

General Fund: \$8,770,952

Other Funds: \$563,500

Construction Code Services (CCS) consists of the two main functions of plan review and inspections with the goal of public safety. Both of these functions are mandated by State law to be performed under the direction of the building official. Plan reviews are done to ensure that the work proposed meets the intent of all codes and ordinances. The reviews performed by CCS take place as part of an extensive review process coordinated by Minneapolis Development Review (MDR). Approximately 85% of the reviews performed are done in 30 minutes or less with the customer present. Larger and more complex reviews can take up to 30 days to complete. In 2010, approximately 7,000 plans were reviewed by CCS.

Once the plan review is complete a permit is issued. Upon issuance of a permit, the inspection process begins. Inspections are conducted to ensure work is being performed according to building code and the approved plan. All general construction, elevator, mechanical, and plumbing work receives one or more inspections during the progress of the work. There were over 75,000 inspections performed in 2010. During these inspections, many code related safety issues are encountered and corrected.

*Measure: Code and Safety compliance rates*

**On-site Traffic Control & Parking Enforcement Services**

General Fund: \$4,291,846

*Regulatory Services*

Provide on-site traffic control to assist traffic flow at intersections by providing for additional throughput on lights, allow for additional turns and pedestrian movement. This allows for safer, more efficient traffic flow during rush hour, special events, around construction sites and during emergencies and natural disasters. By providing on-site traffic control we facilitate smooth flowing intersections which reduce death, injuries and property loss.

Enforce the City's Parking Regulations: Parking meters, limited time parking zones, Critical Parking zone regulations, Rush hour restrictions, Fire lane regulations, No parking and No stopping regulations, Disability parking regulations and other parking regulations. Coordinate with public works for street cleaning operations and snow emergencies.

Measure: Code and Safety compliance rates

**Regulatory Services Fire Inspections**

General Fund: \$1,561,844

*Regulatory Services*

Fire Inspection Services is a Division of Housing Inspection Services. Fire Inspection Services (FIS) is responsible for managing all Fire Suppression/Protection Permits including plan review and site inspections, conducting commercial and residential inspections in partnership with the Minneapolis Fire Department and managing the City's Hazardous Materials 302 Facilities inventory and inspections. The primary fire protection and suppression permit activity includes plan review and approval, inspecting and monitoring kitchen hood and exhaust cleaning to prevent serious fires for all commercial systems in restaurants and food facilities. FIS also conducts plan review and field inspections for issuance of permits for removal of combustible containers such as buried gas tanks. Ensure that firework displays are correctly assembled and executed according to NFPA standards through plan review, site visit, and inspection. In addition, FIS maintains all current files, plans and records of properties in the City that store hazardous materials and facilities that are mandated by federal regulations and state statutes to provide the City with a hazardous materials inventory. Lastly, mandated activities include enforcement of portions of the Minnesota State Fire Code, portions of the International Building Maintenance Code, and compliance with the National Fire Prevention Association standards for code enforcement and fire safety systems. The Fire Inspection Services Division reviews and inspects thousands of fire suppression systems and supports and answers complex fire code interpretations for the Minneapolis Fire Department who inspect high-occupancy residential dwelling units and conducts hundreds of commercial inspections annually.

Measure: Code and Safety compliance rates

**Regulatory Services Housing Inspections**

General Fund: \$3,792,019

*Regulatory Services*

Other Funds: \$7,922,363

Housing Inspections provides a range of programs and activities designed to ensure safe and quality properties. Mandated activities include enforcement of those portions of the International Property Maintenance Code pertaining to rental licensing, removal of hazardous structures, and legal due process requirements for special assessments. The Housing Inspections Division is responsible for managing the City's housing stock through enforcement of our licensing standards and consistent enforcement of the Housing Maintenance Code. It is also responsible for code enforcement in rental properties, all

vacant buildings enforcement, and removing substandard housing through demolition activity as well as creating incentives to rehab vacant properties by using and managing redevelopment thorough restoration agreements. This Division is also responsible for maintaining the security of vacant buildings by administering the Vacant Building Registration program (commercial and residential) and working with communities to reduce chronic problem properties at both residential and commercial structures. Our rental licensing team conducted nearly 100,000 inspections in 2010 and issued more than 19,000 rental licenses. This is accomplished by using a new Tiered inspection methodology.

Measure: Code and Safety compliance rates

### **Public Safety – Animal Control**

General Fund: \$2,155,874

#### *Regulatory Services*

Minneapolis Animal Care & Control (MACC) is responsible for responding to, investigating, and handling all animal related calls and emergencies in the city. In coordination with the MPD, City Attorney's Office, and non-profits, MACC works to efficiently and effectively address criminal issues involving animals. In this effort, MACC focuses on dangerous animals and animal cruelty: including investigation and prosecution of statute and ordinance offenses as well as prevention efforts. MACC manages all animals declared dangerous in the city. In partnership with MPD, MACC implemented an innovative Domestic Violence Intervention initiative, through which MACC provides no-cost kenneling to victims of domestic violence, allowing them to leave their abusers without fear of leaving their pets behind. In addition, MACC conducts animal rabies quarantines for all bites involving animals and impounds and holds injured and stray animals.

Measure: Quick and effective response to threats to public safety

### **Environmental Health/Licenses and Consumer Services**

General Fund: \$5,525,514

#### *Regulatory Services*

Environmental Health ensures commercial and institutional food offerings are safe and in compliance with state and local health codes by conducting more than 5,000 inspections a year of restaurants, schools, board and lodging facilities, hotels, pools, tanning and body arts establishments, daycares, farmers markets, groceries, and food vendors. Licenses and Consumer Services regulates business licensing for liquor establishments and over 200 other types of businesses and annually renews 9,000 licenses. This service includes license application review, background checks, and on site facility inspections, and the collection of license fees.

Measure: Code and Safety compliance rates

### **Reg Services Healthy Homes and Residential Lead Hazard Control**

#### *Regulatory Services*

General Funds: \$523,872

Other Funds: \$1,055,290

Healthy Homes and Lead Hazard Control, through proactive engagement with families and property owners, reduces pollutants and toxins through proactive engagement with families and property owners and through state-mandated response to elevated blood lead levels in children and pregnant adult. Lead Risk Assessors inspect and issue protective orders in properties with lead poisoned children and pregnant women. Grant-funded proactive intervention educates residents on best practices; removes lead hazards through window

replacement and painting; reduces asthma triggers through integrated pest management, allergen reduction, moisture control and other indoor air quality improvements; and identifies other indoor health hazards through HUD approved healthy homes methodology.

*Measure: Meeting or exceeding health standards for pollutants*

## **Minneapolis Development Review**

General Fund: \$2,634,403

### *Regulatory Services*

Other Funds: \$6,849

Minneapolis Development Review serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. Minneapolis Development Review ensures high-quality development while requiring that building construction and rehabilitation projects meet the City's standards in terms of safety, livability and health & environmental sensitivity. Pet Licensing and Critical Parking permits may also be obtained at Minneapolis Development Review and services to our customers continue to expand.

*Measure: Increase number of new businesses while retaining existing businesses*

## **Environmental Services**

General Funds: \$1,001,233

### *Regulatory Services*

Other Funds: \$263,589

Environmental Services protects our air, water and land from pollutants and toxins by enforcing state and local environmental laws, providing technical assistance and operating the state well monitoring program as delegated by the Minnesota Department of Health.

*Measure: Meeting or exceeding health standards for pollutants*

## **EXPENDITURE**

For 2012, Regulatory Services department budget is \$40.1 million, a 12% increase from the 2011 revised budget. The general fund budget is \$30.3 million. During 2011, Council directed Regulatory Services to spend \$2.4M of fund balance in 2012 from the department's special revenue fund. This direction is responsible for 7% of the department's 12% expenditure budget increase in 2012. The department reduced 7.3 FTEs from 2011 spending levels. Six of those were cuts during the budget process. The remaining position is due to moving personnel costs to non personnel expenses.

## **REVENUE**

In 2012, the department anticipates \$42.3 million in revenue, a \$2.5 million increase from 2011. Traffic control revenue is projected to increase \$100,000.

## **FUND ALLOCATION**

In 2012, 76% of the department's budget is from the general fund (\$30.6 million). The remaining budget comes from federal grants and other sources. In 2012, the department will receive \$166,600 in CDBG funding.

## **MAYOR'S RECOMMENDED BUDGET**

The Mayor recommended that the Homegrown Minneapolis Phase III and 1 FTE be housed in Regulatory Services and funded by increased license fees. Further, the Mayor recommended:

- Construction Code Services (CCS): The Mayor recommended a reduction of \$103,000 and 1 FTE from 2011 spending levels.

- On-site Traffic Control & Parking Enforcement Services: The Mayor recommended a reduction of \$18,000 and increased revenue of \$100,000 from 2011 spending and revenue levels.
- Regulatory Services Fire Inspections: The Mayor recommended an increase in fire inspection fees to increase revenue by \$30,000 from 2011 revenue levels.
- Regulatory Services Housing Inspections: The Mayor recommended a reduction of \$165,000 and 1 FTE from 2011 spending levels.
- Animal Control: The Mayor recommended a reduction of \$184,000 and 1 FTE from 2011 spending levels.
- Environmental Health/Licenses and Consumer Services: The Mayor recommended a reduction of \$50,000 from 2011 spending levels.
- Healthy Homes and Residential Lead Hazard Control: The Mayor recommended a reduction of \$9,000 from 2011 spending levels.
- Homegrown Minneapolis Phase III: fund this program in Regulatory Services. Increased Regulatory Services' revenue should match expense.
- Minneapolis Development Review: a cut of \$112,000 and 1 FTE from 2011 spending levels.
- Environmental Services: a cut of \$238,000 and 1 FTE from 2011 spending levels.

In addition, the Mayor recommended reduction of an administrative position, reduced spending on contractual services, and a reduction of interns from 2011 spending levels. Reductions for those costs have been spread across programs.

#### COUNCIL ADOPTED BUDGET

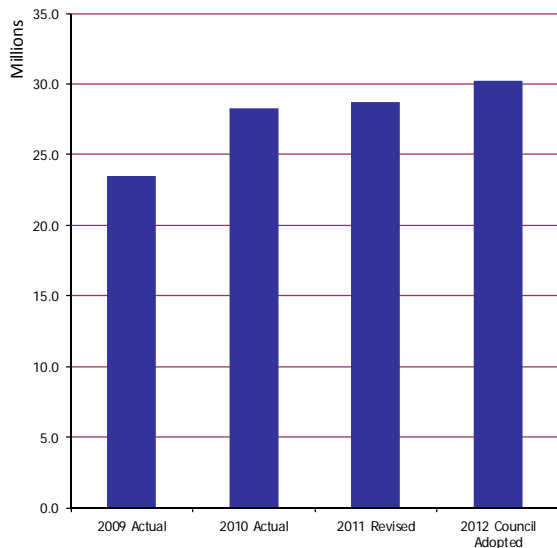
Council approved the Mayor's recommendations with the following amendments

- Remove all expense, revenue and FTE associated with the Homegrown Minneapolis Business Development Initiative and decrease Regulatory Services' budget by \$142,202.
- Amend the expense and revenue appropriations of Fire and Regulatory Services to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire and Regulatory Services regarding problem properties to reflect this change. Regulatory Services' is directed to return to the Ways and Means/Budget Committee by March 1, 2012, with a renegotiated Memorandum of Understanding between Regulatory Services and MFD.
- Council directed Regulatory Services to request funds for the Public Safety-Animal Control Program a part of the usual year-end rollover process provided in the City's financial policies.

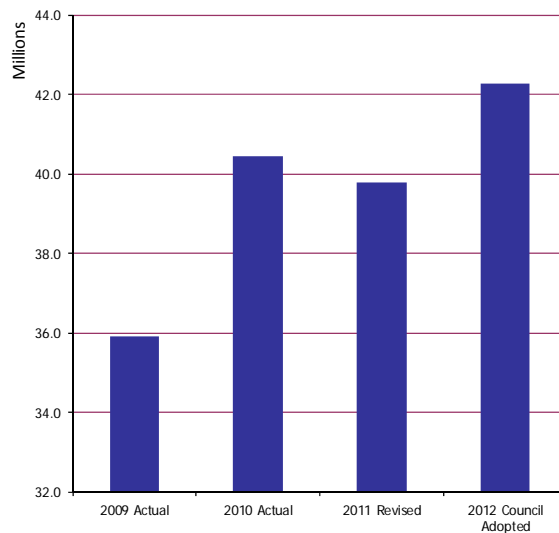
## REGULATORY SERVICES EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(325,217)	152,982			0.0%	0
<b>TOTAL AGENCY</b>	<b>(325,217)</b>	<b>152,982</b>			<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
CAPITAL	6,396	5,826	104,021	102,788	-1.2%	(1,233)
CONTRACTUAL SERVICES	5,798,809	8,102,535	4,199,236	6,194,916	47.5%	1,995,680
FRINGE BENEFITS	4,277,096	5,094,460	6,089,878	6,279,247	3.1%	189,369
OPERATING COSTS	1,205,126	1,327,729	1,414,223	1,772,427	25.3%	358,204
SALARIES AND WAGES	12,199,415	13,756,128	16,862,858	15,908,180	-5.7%	(954,678)
<b>TOTAL GENERAL</b>	<b>23,486,843</b>	<b>28,286,677</b>	<b>28,670,216</b>	<b>30,257,558</b>	<b>5.5%</b>	<b>1,587,342</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	668,024	1,065,683	565,064	1,669,602	195.5%	1,104,538
CONTRACTUAL SERVICES	2,654,372	4,969,556	4,332,512	4,179,625	-3.5%	(152,887)
FRINGE BENEFITS	493,931	1,171,711	562,987	888,556	57.8%	325,569
OPERATING COSTS	162,493	207,332	311,425	354,766	13.9%	43,341
SALARIES AND WAGES	1,677,072	3,324,723	1,481,602	2,719,042	83.5%	1,237,441
<b>TOTAL SPECIAL REVENUE</b>	<b>5,655,894</b>	<b>10,739,006</b>	<b>7,253,590</b>	<b>9,811,592</b>	<b>35.3%</b>	<b>2,558,001</b>
<b>TOTAL EXPENSE</b>	<b>28,817,520</b>	<b>39,178,665</b>	<b>35,923,806</b>	<b>40,069,149</b>	<b>11.5%</b>	<b>4,145,343</b>

Expense 2009 - 2012

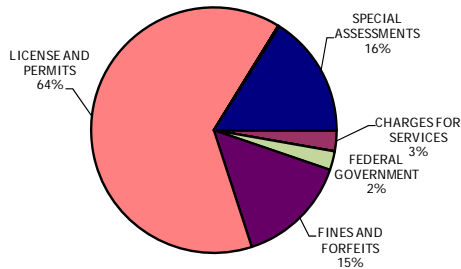


Revenue 2009 - 2012

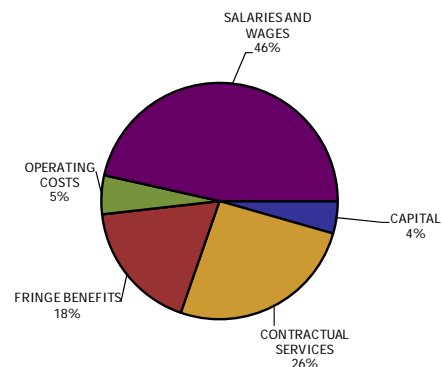


REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	Percent Change	Change
<b>GENERAL</b>						
CHARGES FOR SALES	3,040	580	258	258	0.0%	0
CHARGES FOR SERVICES	656,786	677,597	721,518	895,343	24.1%	173,825
CONTRIBUTIONS	160	4,684			0.0%	0
FEDERAL GOVERNMENT		1,200			0.0%	0
FINES AND FORFEITS	375,076	5,861,050	5,801,287	6,171,443	6.4%	370,156
LICENSE AND PERMITS	23,753,929	22,799,730	24,751,871	26,439,411	6.8%	1,687,540
LOCAL GOVERNMENT	51,904	53,461	55,002		-100.0%	(55,002)
OTHER MISC REVENUES	141,506	115,071	311,681	75,555	-75.8%	(236,126)
SPECIAL ASSESSMENTS	2,225,139	1,780,115	1,286,770	1,400,000	8.8%	113,230
<b>TOTAL GENERAL</b>	<b>27,207,540</b>	<b>31,293,488</b>	<b>32,928,387</b>	<b>34,982,010</b>	<b>6.2%</b>	<b>2,053,623</b>
<b>SPECIAL REVENUE</b>						
CHARGES FOR SERVICES	183,850	306,116	415,650	272,024	-34.6%	(143,626)
CONTRIBUTIONS	(970)	46,619			0.0%	0
FEDERAL GOVERNMENT	1,093,174	1,655,989	1,157,974	1,047,393	-9.5%	(110,581)
FINES AND FORFEITS	176,841	220,420	15,300	70,400	360.1%	55,100
LICENSE AND PERMITS	463,909	1,576,731	1,652,024	536,649	-67.5%	(1,115,375)
LOCAL GOVERNMENT	2,547				0.0%	0
OTHER MISC REVENUES	34,303	10,187			0.0%	0
SPECIAL ASSESSMENTS	6,725,450	5,324,709	3,598,115	5,372,629	49.3%	1,774,514
STATE GOVERNMENT	18,273	9,068			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>8,697,377</b>	<b>9,149,838</b>	<b>6,839,063</b>	<b>7,299,095</b>	<b>6.7%</b>	<b>460,032</b>
<b>ENTERPRISE</b>						
LICENSE AND PERMITS	25	(15)			0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>25</b>	<b>(15)</b>			<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>35,904,942</b>	<b>40,443,311</b>	<b>39,767,450</b>	<b>42,281,105</b>	<b>6.3%</b>	<b>2,513,655</b>

Direct Revenue by Type

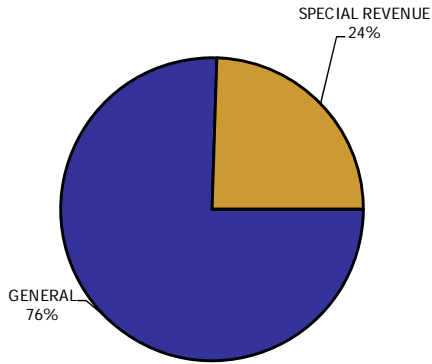


Expense by Category

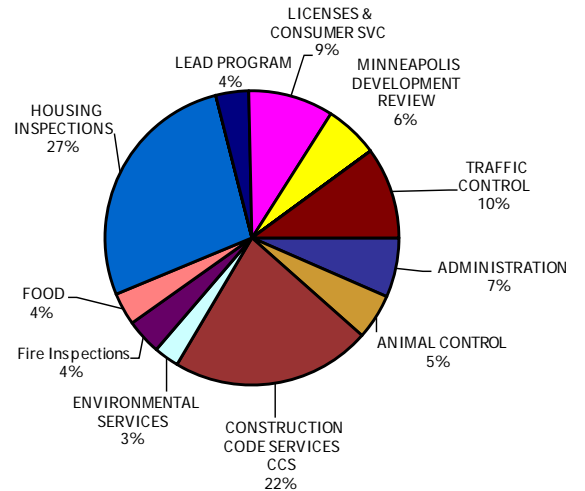




Expense by Fund



Expense by Division

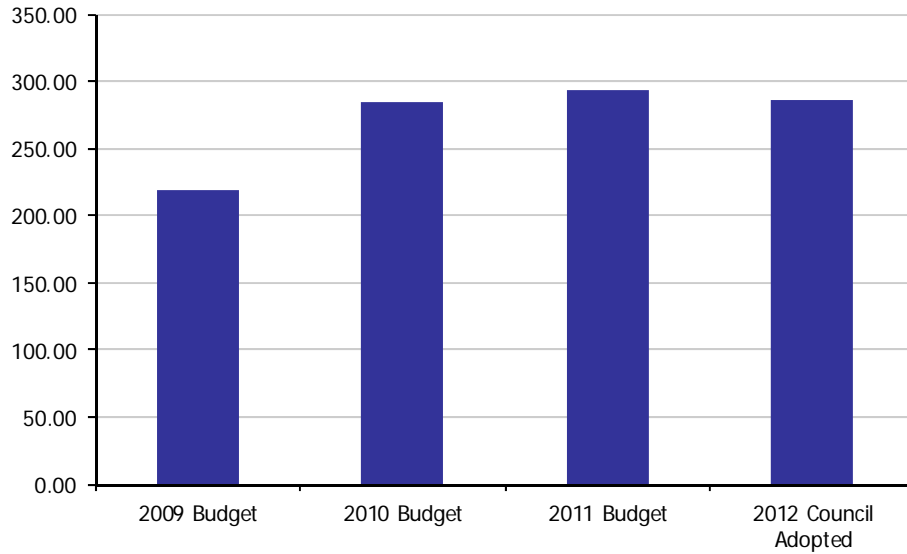


## REGULATORY SERVICES

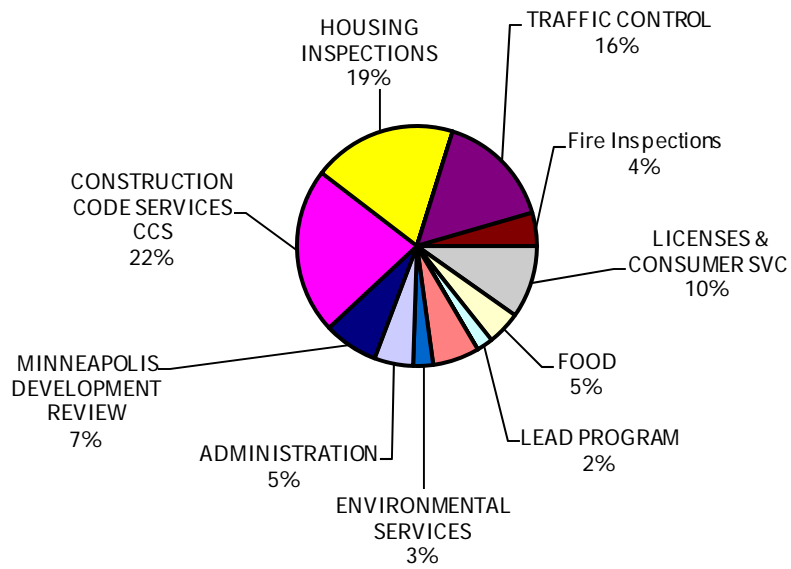
### Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
ANIMAL CONTROL	16.00	17.00	19.00	18.00	-5.3%	(1.00)
CONSTRUCTION CODE SERVICES CCS	65.50	65.00	64.00	64.00	0.0%	
Fire Inspections				12.80		12.80
FOOD	12.00	12.00	12.00	13.00	8.3%	1.00
ADMINISTRATION	12.60	9.75	10.74	15.00	39.7%	4.27
MINNEAPOLIS DEVELOPMENT REVIEW	22.00	21.00	23.00	21.00	-8.7%	(2.00)
TRAFFIC CONTROL			43.50	45.00	3.4%	1.50
HOUSING INSPECTIONS	50.40	61.50	72.50	55.50	-23.4%	(17.00)
REGULATORY SERVICES		3.00		0.00		0.00
LEAD PROGRAM	3.34	10.34	8.34	6.34	-24.0%	(2.00)
LICENSES & CONSUMER SVC	28.00	75.00	30.00	28.00	-6.7%	(2.00)
LEAD CONTROL - HUD PROJECT	1.00					
ENVIRONMENTAL SERVICES	8.16	10.51	10.51	7.66	-27.1%	(2.85)
<b>TOTAL</b>	<b>219.00</b>	<b>285.10</b>	<b>293.59</b>	<b>286.30</b>	<b>-2.5%</b>	<b>(7.29)</b>

### Positions 2009-2012



### Positions by Divison



**City of Minneapolis  
2012 Budget**

**Independent Boards and Agencies**

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The following board and agency sections include these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

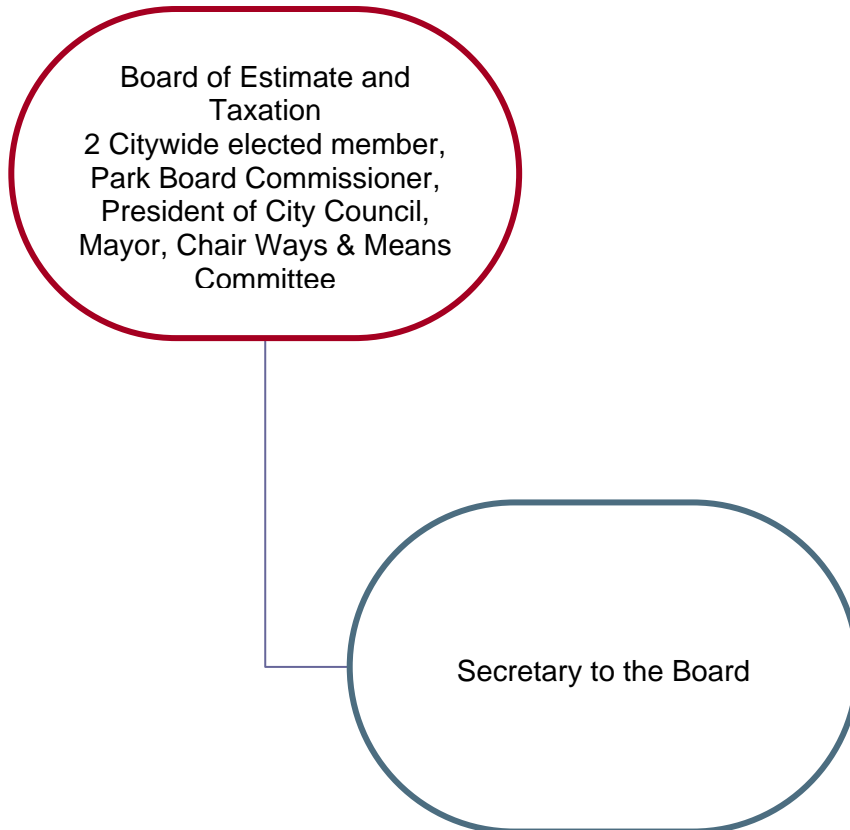
- Board of Estimate and Taxation 484
- Municipal Building Commission 488
- Park and Recreation Board 493
- Public Housing Authority 499
- Youth Coordinating Board 503

## BOARD OF ESTIMATE AND TAXATION

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### MISSION

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input relating to setting the maximum tax levies of the City for compliance with the City Charter and The Truth In Taxation State Statute. The Board, after receiving recommendations from the Mayor and City Council and the Public, sets the maximum tax levies by individual levy for the following: General Fund, Permanent Improvement Fund, Bond Redemption Fund, Minneapolis Fire Relief Association, Minneapolis Police Relief Association, Minneapolis Employees Retirement Fund, Minneapolis Public Housing Authority, Economic Development Chapter 595 levy, Teacher’s retirement Association levies Mn Stat Chap 357 Sec 4 and Laws of Mn 1996 Chap 438 Art 4 Sec 9. Municipal Building Commission, Board of Estimate & Taxation, Lake Pollution Control, Tree Preservation & Reforestation, Shade Tree Diseased Control, Park Rehabilitation & Parkway Maintenance, Park and Recreation. The Board on a vote of a minimum of 5 years issues General Obligation Bonds of the City of Minneapolis used to support the Capital Program, the exception is for Tax Increment Bonds which are issued by the City Council.



Upon request by the City Council and the Park and Recreation Board the BET may vote to incur indebtedness by issuing and selling bonds, and by doing so, pledges full faith and credit of the City for payment of principal and interest. The BET establishes the maximum property tax levies for funds of the City under the State’s Truth-in-Taxation requirements and the City Charter.

## FINANCIAL ANALYSIS

### EXPENDITURE

The 2012 full expense budget for BET is \$175,500, a 5.1% decrease from 2011. Personnel related costs make up 86% of the budget, with contractual expenses and operating expense making up the remaining 14%. Three of the largest non-personnel expenditures are: General Fund Overhead (\$1,854), BIS charges (\$6,397) and rent (\$4,000). These total \$12,250.

### REVENUE

The revenue budget is \$166,600, the same as the 2011 revised budget. The Board receives all its revenue from property tax.

### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes to BET's budget.

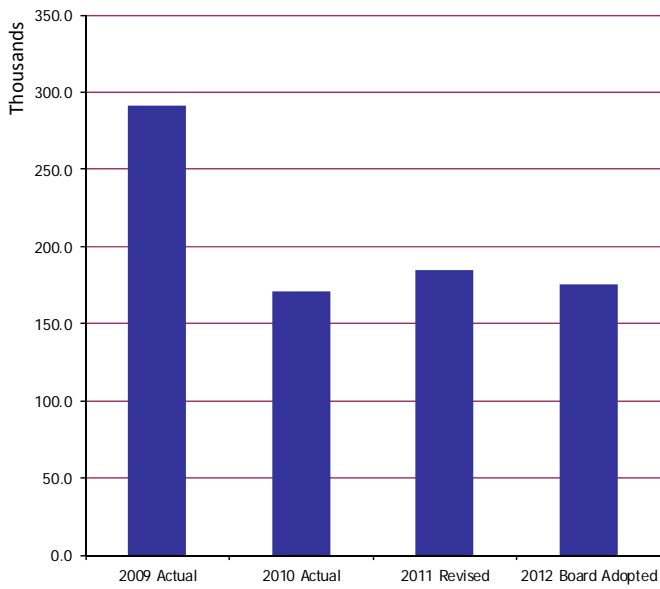
### ADOPTED BUDGET

The Board approved the Mayor's recommendation.

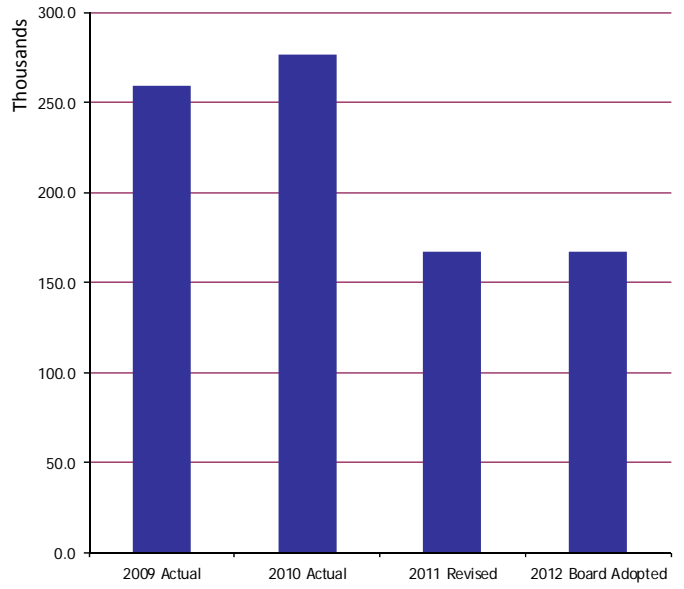
## BOARD OF ESTIMATE & TAXATION EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	27,747	22,817	16,815	14,588	-13.2%	(2,227)
FRINGE BENEFITS	35,045	18,565	38,452	33,238	-13.6%	(5,214)
OPERATING COSTS	9,175	7,030	12,480	10,503	-15.8%	(1,977)
SALARIES AND WAGES	218,876	122,290	117,117	117,171	0.0%	54
<b>TOTAL SPECIAL REVENUE</b>	<b>290,842</b>	<b>170,701</b>	<b>184,865</b>	<b>175,500</b>	<b>-5.1%</b>	<b>(9,365)</b>
<b>TOTAL EXPENSE</b>	<b>290,842</b>	<b>170,701</b>	<b>184,865</b>	<b>175,500</b>	<b>-5.1%</b>	<b>(9,365)</b>
<b>REVENUE</b>						
<b>SPECIAL REVENUE</b>						
OTHER MISC REVENUES		6,477			0.0%	0
PROPERTY TAXES	252,419	269,793	166,600	166,600	0.0%	0
SALES AND OTHER TAXES	(9)	28			0.0%	0
STATE GOVERNMENT	6,949	370			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>259,359</b>	<b>276,667</b>	<b>166,600</b>	<b>166,600</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>259,359</b>	<b>276,667</b>	<b>166,600</b>	<b>166,600</b>	<b>0.0%</b>	<b>0</b>

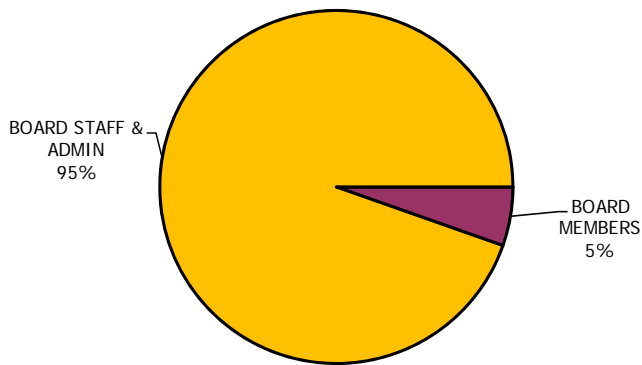
**Expense 2009-2012**



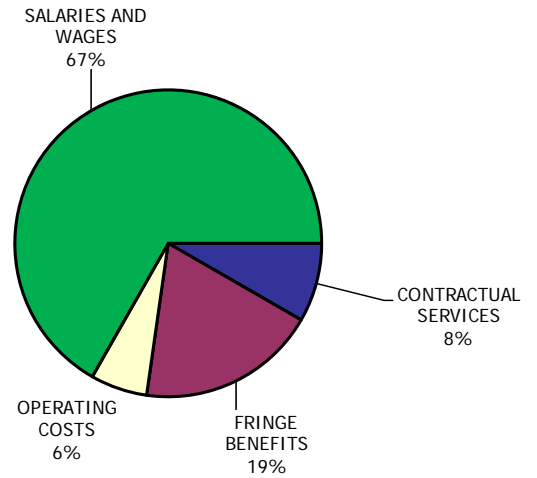
**Revenue 2009 - 2012**



**Expense by Division**



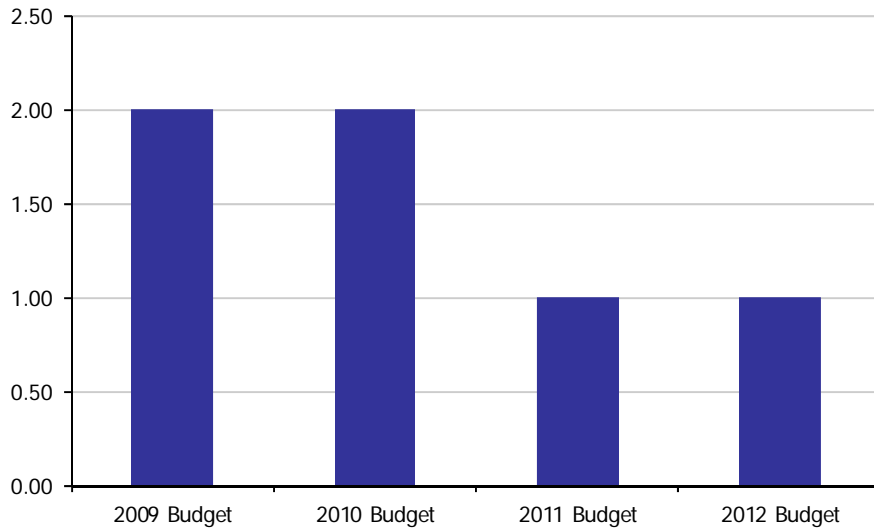
**Expense by Category**



## BOARD OF ESTIMATE & TAXATION Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0.00
INTERNAL AUDIT	1.00	1.00				0.00
<b>TOTAL</b>	<b>2.00</b>	<b>2.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.0%</b>	<b>0.00</b>

### Positions 2009-2012



## MUNICIPAL BUILDING COMMISSION

---

### **MISSION**

The Municipal Building Commission was created by state statute in 1904 and given exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

### **BUSINESS LINES**

Care for Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, the MBC is responsible for providing custodial, utility, repair and maintenance services.

Control of Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll and operating and capital budgeting activities.

Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain, and preserve the historic landmark City Hall and Courthouse Building and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

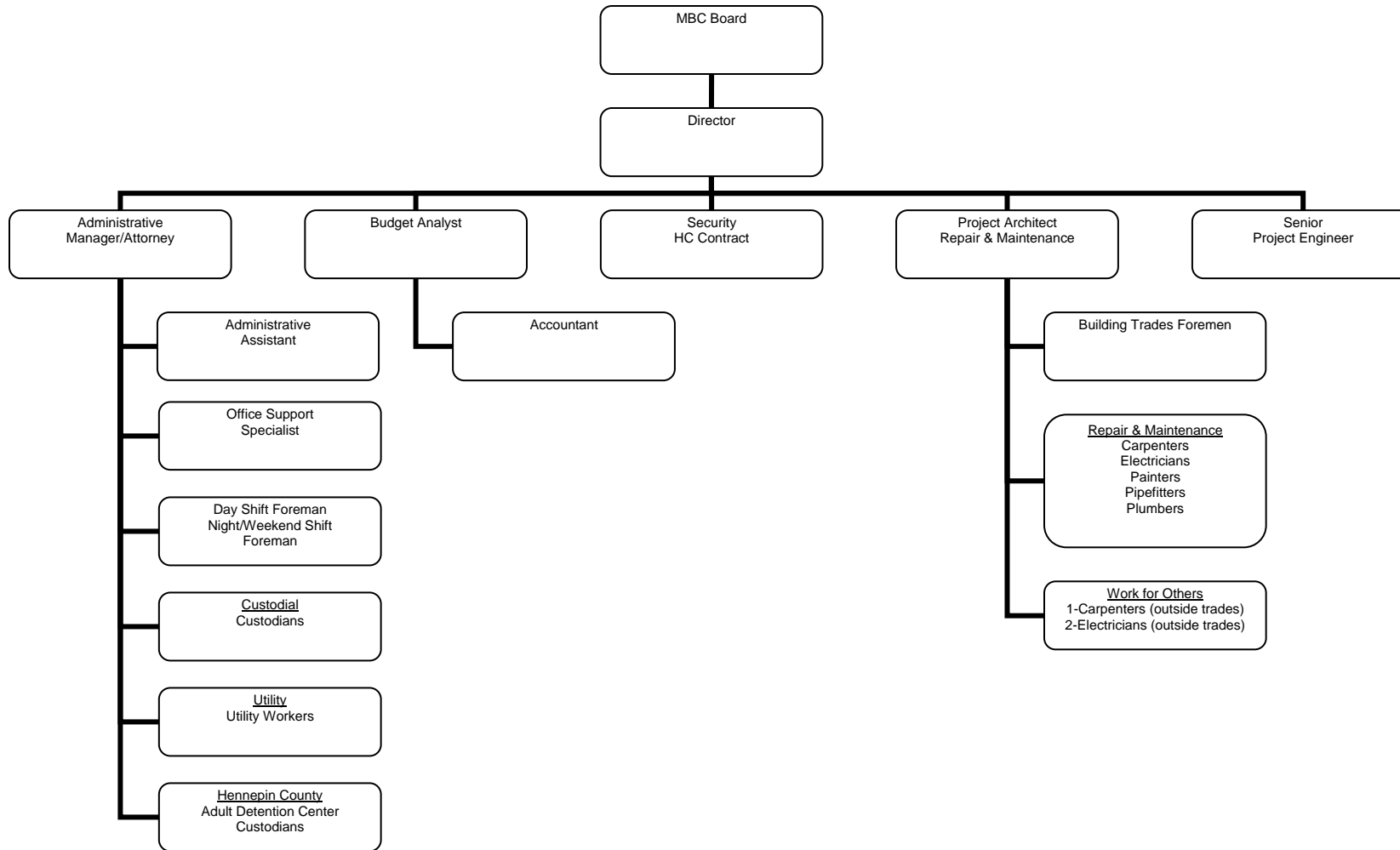
### **Significant Budget Changes**

The 2012 budget is essentially flat compared to the 2011 budget. There are major changes however within the details of this budget. MBC security was eliminated and security services are being contracted with Hennepin County in 2011. Some of those MBC security officers have since been reinstated. The 2012 budget will reflect a reduction in personnel costs and an increase in contractual services due to this change. There is no cost savings projected through these contracted security services. A reduction of 6.0 FTEs corresponds with this change. Another significant change is the addition of a supplemental payment to replenish the MERF pension fund. This multi-year payment plan commences in 2012 at an amount of \$292,000 to MBC and will continue at similar amounts over the next 20 years. There is also a \$480,000 payoff of MERF bonds that will be paid out of MBC fund balance (60%) and from Hennepin County (40%).

The inclusion of the MERF supplemental payment in 2012 results in the MBC reducing its operating budget which will be saved through utility savings and other miscellaneous reductions in spending.



# 2011 MBC Organization Chart



## EXPENSE

The full expense budget for MBC is \$8.0 million, a 2.4% increase from 2011. The \$292,000 supplemental payment to replenish MERF comes directly out of the operating budget. Without that, MBC would show a 1.3% reduction in expenses. Personnel make up 52% of the budget, with contractual expenses and operating expense making up the remaining 48%.

## REVENUE

The revenue budget of \$8.2 million is a 2.4% increase from the 2011 Adopted Budget. The entire increase (\$192,000) comes from a one-time property tax increase from Hennepin County earmarked to pay their portion of the MERF debt service payoff. The Board will receive nearly all revenue from charges for service.

## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended that MBC use fund balance to pay MERF debt service.

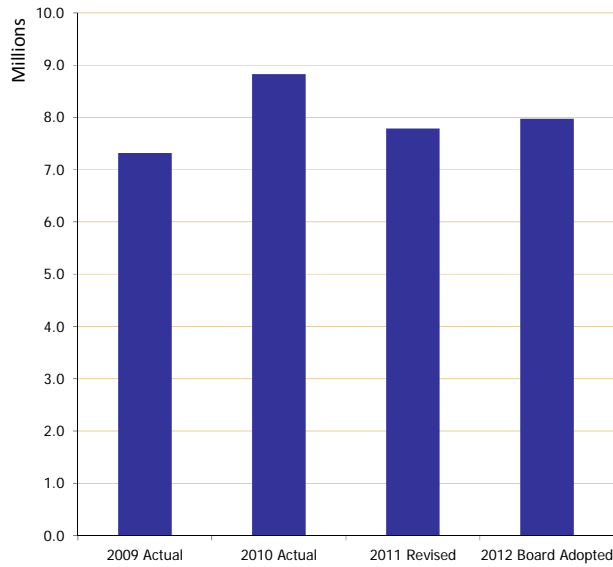
## COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.

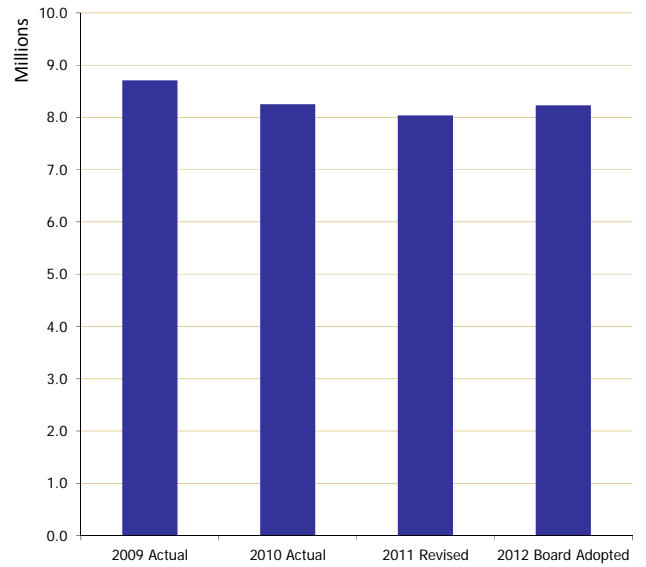
### MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(1,282,391)	676,549			0.0%	0
<b>TOTAL AGENCY</b>	<b>(1,282,391)</b>	<b>676,549</b>			<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	13,717				0.0%	0
CONTRACTUAL SERVICES	3,666,826	3,413,060	2,426,959	3,063,674	26.2%	636,715
FRINGE BENEFITS	1,164,586	1,302,359	1,422,121	1,253,772	-11.8%	(168,349)
OPERATING COSTS	789,800	528,120	451,738	742,638	64.4%	290,900
SALARIES AND WAGES	2,968,113	2,906,530	3,486,771	2,914,704	-16.4%	(572,067)
<b>TOTAL SPECIAL REVENUE</b>	<b>8,603,042</b>	<b>8,150,070</b>	<b>7,787,589</b>	<b>7,974,789</b>	<b>2.4%</b>	<b>187,200</b>
<b>TOTAL EXPENSE</b>	<b>7,320,651</b>	<b>8,826,618</b>	<b>7,787,589</b>	<b>7,974,789</b>	<b>2.4%</b>	<b>187,200</b>
<b>REVENUE</b>						
<b>SPECIAL REVENUE</b>						
CHARGES FOR SALES	1,489		6,000	6,000	0.0%	0
CHARGES FOR SERVICES	8,268,308	7,997,198	3,640,597	8,224,959	125.9%	4,584,362
OTHER MISC REVENUES	335	758			0.0%	0
PROPERTY TAXES			4,199,300		-100.0%	(4,199,300)
RENTS	89,019	109,501			0.0%	0
STATE GOVERNMENT	352,533	145,889	192,755		-100.0%	(192,755)
<b>TOTAL SPECIAL REVENUE</b>	<b>8,711,683</b>	<b>8,253,346</b>	<b>8,038,652</b>	<b>8,230,959</b>	<b>2.4%</b>	<b>192,307</b>
<b>TOTAL REVENUE</b>	<b>8,711,683</b>	<b>8,253,346</b>	<b>8,038,652</b>	<b>8,230,959</b>	<b>2.4%</b>	<b>192,307</b>

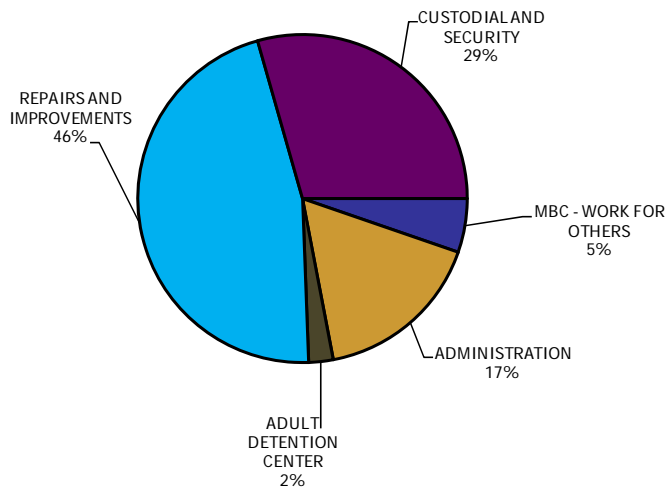
**Expense 2009-2012**



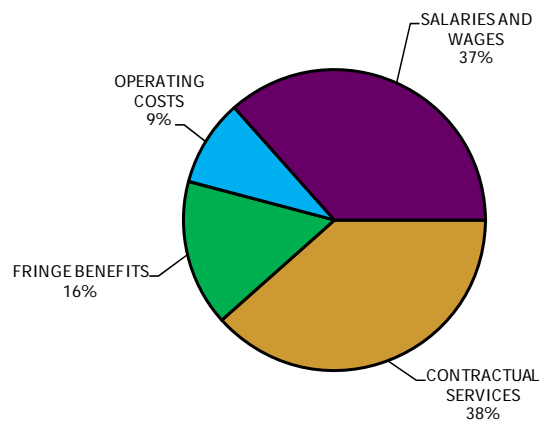
**Revenue 2009 - 2012**



**Expense by Division**



**Expense by Category**

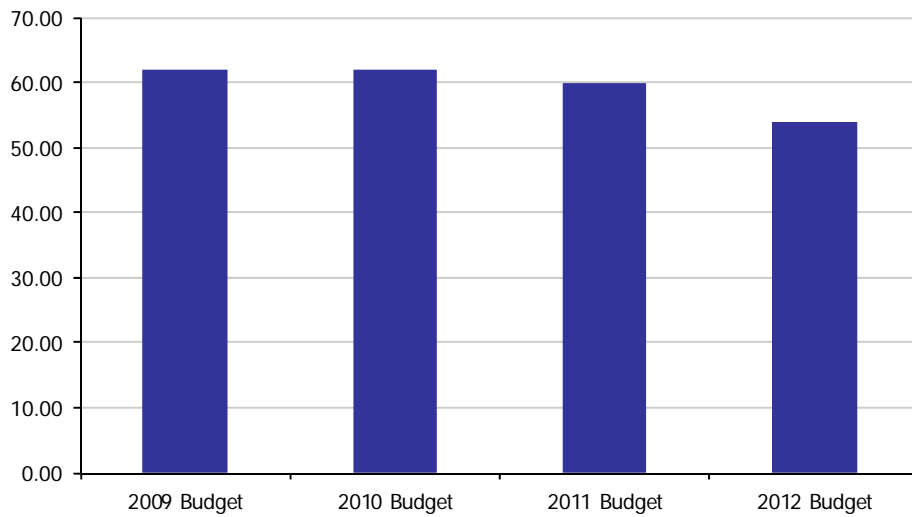


# MUNICIPAL BUILDING COMMISSION

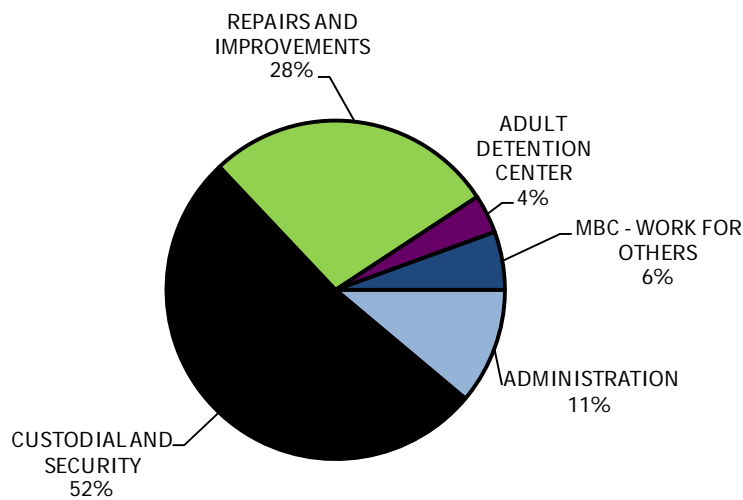
## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	16.00	17.00	15.00	15.00	0.0%	
ADMINISTRATION	7.00	7.00	6.00	6.00	0.0%	
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	34.00	33.00	34.00	28.00	-17.6%	(6.00)
<b>TOTAL</b>	<b>62.00</b>	<b>62.00</b>	<b>60.00</b>	<b>54.00</b>	<b>-10.0%</b>	<b>(6.00)</b>

## Positions 2009-2012



## Positions by Division



## **PARK AND RECREATION BOARD**

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### **MISSION**

The Minneapolis Park and Recreation Board shall permanently preserve, protect, maintain, improve and enhance its natural resources, parkland and recreational opportunities for current and future generations.

The Minneapolis Park and Recreation Board exists to provide places and recreation opportunities for all people to gather, celebrate, contemplate and engage in activities that promote health, well-being, community and the environment.

### **BUSINESS LINES**

- Park Administrative Services
- Environmental
- Maintenance
- Forestry
- Information Technology Services
- Park Police
- Planning and Project Management
- Recreation Services
- Special Facilities
- Volunteers and Community Partnerships

### **2011-2013 STRATEGIC DIRECTION**

Park Board Commissioners participated in a three month strategic planning process to set the strategic direction for the Minneapolis Park and Recreation Board for the next three years. The 2011–2013 Strategic Direction was adopted by the Board on August 18, 2010. The commissioners identified priorities through the completion of surveys, work sessions discussions and committee study reports. The 2011–2013 Strategic Direction represents Board and Superintendent priorities that are aligned with comprehensive plan goals and objectives.

### **2011-2013 STRATEGIC DIRECTION**

- I. Focus resources on a well maintained park system. Address issues of aging infrastructure especially in neighborhood parks. Use comprehensive plan as guidance for maintenance of natural areas and boulevard trees.
- II. Become a national leader in issues of sustainability, including collaborative efforts with the City Council, Mayor, County, local business leaders, and the public, making our city greener, cleaner, and energy efficient.
- III. Focus on our partnerships, especially the City and the public schools to focus on the service delivery and responsibilities across jurisdictions to assess what is working and what can be changed or improved in difficult financial times.
- IV. Focus on: new strategies of community engagement, including greater transparency and information that is posted online, outreach strategies, and clarity about our processes and procedures. Enhance our communications and relationships with communities, media, agencies, and partners.
- V. Focus on a financial plan that increases revenue growth with grants, new program offerings, sponsorships and foundation giving, but also plan for potential budget reductions that are the result of projected state deficits or increased costs.

VI. Assure that basic services and programs remain accessible, community based, and equitable. Reaffirm the importance of outdoor activities for children.

VII. Shape city character through nationally recognized park development and redevelopment strategies.

## FINANCIAL ANALYSIS

### EXPENDITURE

The estimated 2012 Park Board budget of \$90.8 million is 1.5% lower than the 2011 revised budget.

### REVENUE

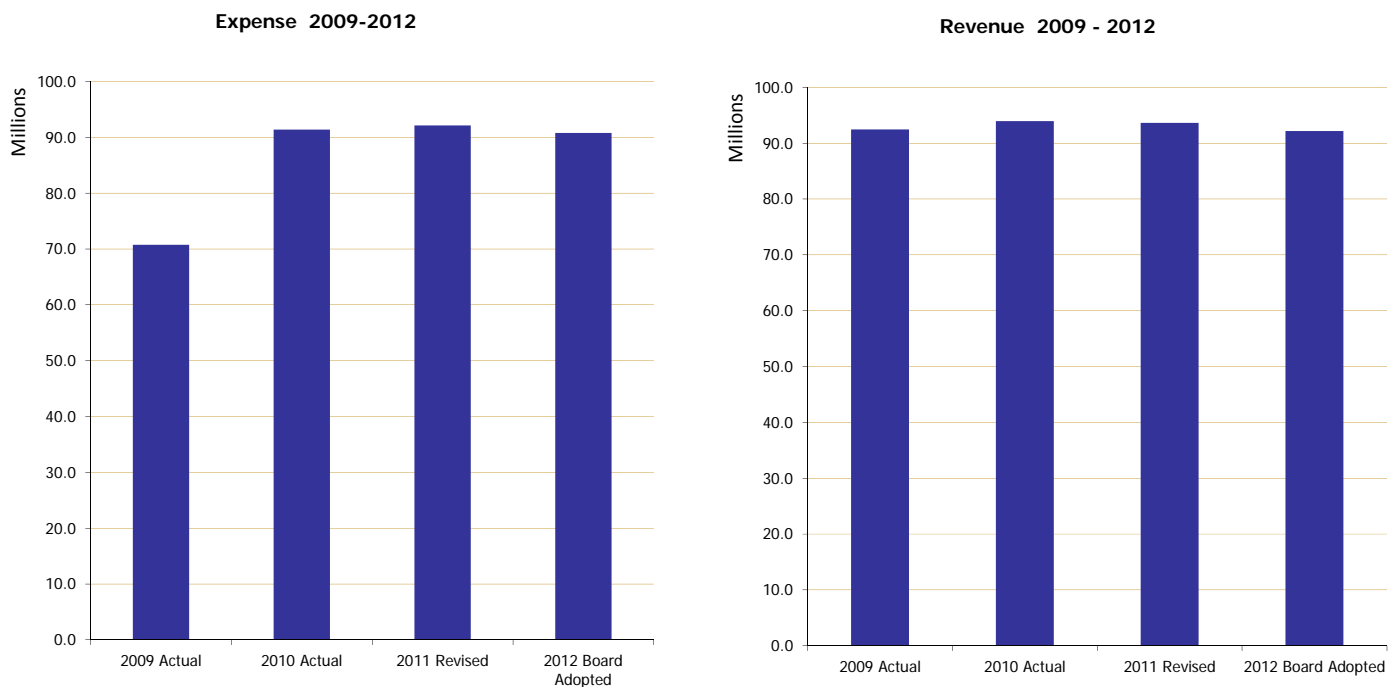
Revenue is estimated at \$92.2 million, a 0.3% decrease from the 2011 revised budget. The Park Board did not request an increase to its levies.

### MAYOR'S RECOMMENDED BUDGET

The Mayor recommended \$4.9 million for the Park Board for operating costs to maintain capital infrastructure. Overall, the Mayor recommended property tax and LGA revenue of \$53.84 million. After subtracting shared costs and capital projects funded by the Park levy, the Mayor recommended \$51.04 million in revenue for the Park Board.

### COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.



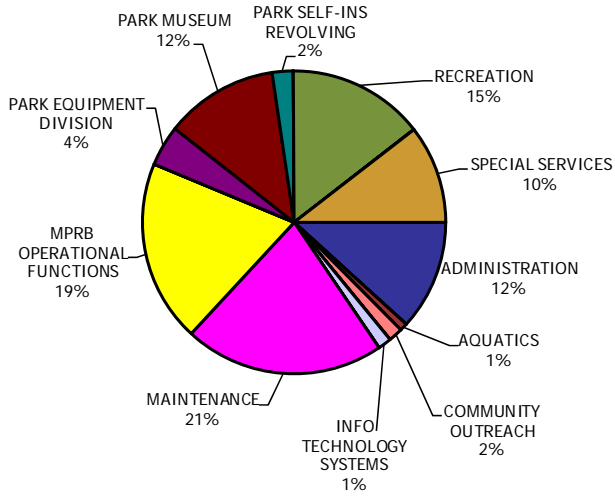
## PARK BOARD EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(13,208,183)	1,933,236			0.0%	0
<b>TOTAL AGENCY</b>	<b>(13,208,183)</b>	<b>1,933,236</b>			<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
CAPITAL	1,037,308	1,160,037	1,392,740	1,188,583	-14.7%	(204,157)
CONTRACTUAL SERVICES	397,439	507,286	502,549	638,183	27.0%	135,634
FRINGE BENEFITS	2,164,775	1,843,885	2,525,007	2,176,778	-13.8%	(348,229)
OPERATING COSTS	11,970	1,844,900	1,809,569	1,543,545	-14.7%	(266,024)
SALARIES AND WAGES	1,748,924	1,748,463	1,745,653	1,717,186	-1.6%	(28,467)
<b>TOTAL INTERNAL SERVICE</b>	<b>5,360,415</b>	<b>7,104,570</b>	<b>7,975,518</b>	<b>7,264,275</b>	<b>-8.9%</b>	<b>(711,243)</b>
<b>SPECIAL REVENUE</b>						
CAPITAL	629,542	256,822	4,034,999	5,135,649	27.3%	1,100,650
CONTRACTUAL SERVICES	10,665,810	12,756,950	11,752,060	12,176,587	3.6%	424,527
FRINGE BENEFITS	11,966,535	11,985,649	12,033,678	11,394,044	-5.3%	(639,634)
OPERATING COSTS	14,664,914	15,121,506	14,558,900	13,743,671	-5.6%	(815,229)
SALARIES AND WAGES	28,679,771	28,496,105	28,322,640	27,095,242	-4.3%	(1,227,397)
<b>TOTAL SPECIAL REVENUE</b>	<b>66,606,571</b>	<b>68,617,032</b>	<b>70,702,276</b>	<b>69,545,193</b>	<b>-1.6%</b>	<b>(1,157,083)</b>
<b>ENTERPRISE</b>						
CAPITAL	140,551	214,188	1,024,643	1,559,323	52.2%	534,680
CONTRACTUAL SERVICES	4,396,434	4,036,799	3,866,154	3,672,969	-5.0%	(193,185)
DEBT SERVICE	92,605	28,855	34,000	34,000	0.0%	0
FRINGE BENEFITS	1,321,110	1,496,786	1,542,431	1,579,461	2.4%	37,030
OPERATING COSTS	1,442,535	2,983,997	1,897,107	1,921,552	1.3%	24,444
SALARIES AND WAGES	4,602,665	4,958,520	5,112,876	5,225,295	2.2%	112,419
<b>TOTAL ENTERPRISE</b>	<b>11,995,900</b>	<b>13,719,145</b>	<b>13,477,211</b>	<b>13,992,599</b>	<b>3.8%</b>	<b>515,388</b>
<b>TOTAL EXPENSE</b>	<b>70,754,704</b>	<b>91,373,983</b>	<b>92,155,005</b>	<b>90,802,067</b>	<b>-1.5%</b>	<b>(1,352,938)</b>

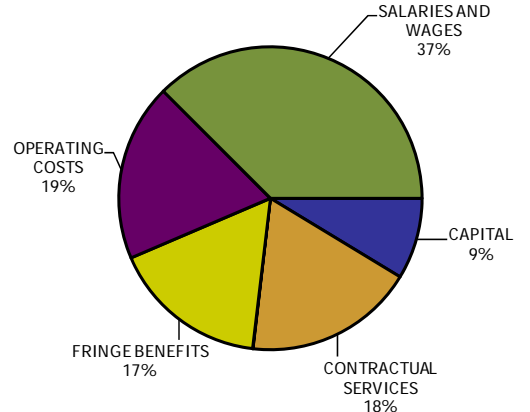
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CHARGES FOR SALES	55,808	33,390	60,000	75,000	0.0%	0
CHARGES FOR SERVICES	980,808	2,137,557	1,578,580	1,219,702	-10.5%	(166,203)
CONTRIBUTIONS	470,980	498,711	230,000	150,000	0.0%	0
FEDERAL GOVERNMENT	267,716	214,077			0.0%	0
FINES AND FORFEITS	560,131	396,270	565,000	685,000	0.0%	0
LICENSE AND PERMITS	183,041	240,661	364,000	385,000	0.0%	0
LOCAL GOVERNMENT	1,311,723	2,440,988	1,500,900	1,885,420	-20.0%	(300,000)
LONG TERM LIABILITIES PROCEEDS		20			0.0%	0
OTHER MISC REVENUES	79,244	298,930	59,000	28,000	0.0%	0
PROPERTY TAXES	54,328,739	56,504,674	58,010,963	57,229,163	0.0%	139
RENTS	722,276	843,672	637,479	646,600	0.0%	0
SALES AND OTHER TAXES	(1,461)	4,844	3,000	3,000	0.0%	0
SPECIAL ASSESSMENTS		1,250			0.0%	0
STATE GOVERNMENT	12,067,855	8,073,937	8,629,950	8,373,308	-2.3%	(201,596)
<b>TOTAL SPECIAL REVENUE</b>	<b>71,026,859</b>	<b>71,688,980</b>	<b>71,638,872</b>	<b>70,680,193</b>	<b>-0.9%</b>	<b>(667,660)</b>
<b>INTERNAL SERVICE</b>						
CHARGES FOR SALES	65,807	12,252	75,000	20,000	0.0%	0
CHARGES FOR SERVICES	979,931	918,451	898,586	1,099,890	16.6%	149,414
GAINS	96,407	10,847			0.0%	0
LONG TERM LIABILITIES PROCEEDS	(57,515)				0.0%	0
OTHER MISC REVENUES	2,554,250	2,540,632	2,659,283	2,028,027	-11.8%	(312,820)
RENTS	3,980,095	3,995,840	4,342,649	4,074,401	4.3%	187,594
<b>TOTAL INTERNAL SERVICE</b>	<b>7,618,974</b>	<b>7,478,023</b>	<b>7,975,518</b>	<b>7,222,318</b>	<b>0.3%</b>	<b>24,188</b>
<b>ENTERPRISE</b>						
CHARGES FOR SALES	3,267	4,589	6,000		0.0%	0
CHARGES FOR SERVICES	11,387,605	12,154,309	12,065,565	12,222,269	3.0%	358,724
CONTRIBUTIONS	391,141	450,621	240,000	240,000	0.0%	0
FEDERAL GOVERNMENT		181,697	185,072	128,930	0.0%	0
FINES AND FORFEITS	46,494	2,446			0.0%	0
GAINS	500				0.0%	0
INTEREST	51	1			0.0%	0
LICENSE AND PERMITS		11,924			0.0%	0
LOCAL GOVERNMENT	11,822	622,784			0.0%	0
OTHER MISC REVENUES	40,463	73,002	36,000	52,000	0.0%	0
RENTS	1,965,608	1,265,192	1,489,574	1,644,400	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>13,846,949</b>	<b>14,766,564</b>	<b>14,022,211</b>	<b>14,287,599</b>	<b>2.6%</b>	<b>358,724</b>
<b>TOTAL REVENUE</b>	<b>92,492,783</b>	<b>93,933,566</b>	<b>93,636,601</b>	<b>92,190,110</b>	<b>-0.3%</b>	<b>(284,748)</b>



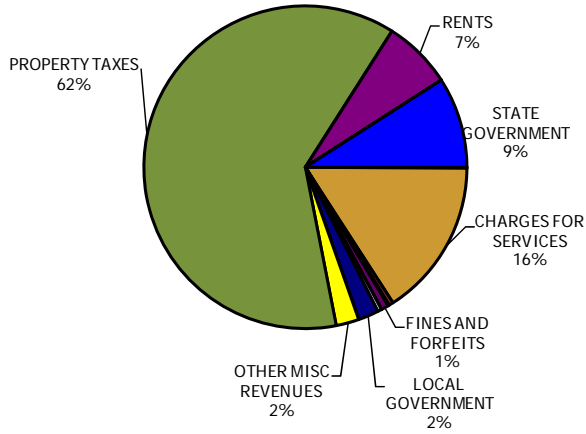
**Expense by Division**



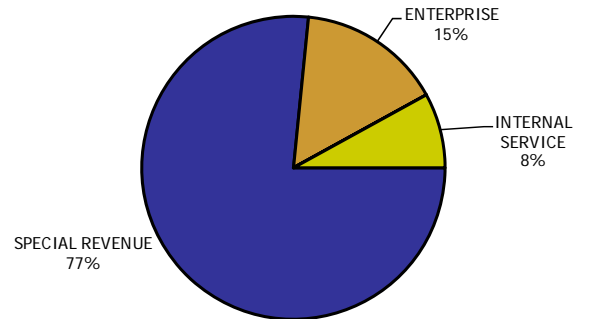
**Expense by Category**



**Direct Revenue by Type**



**Expense by Fund**

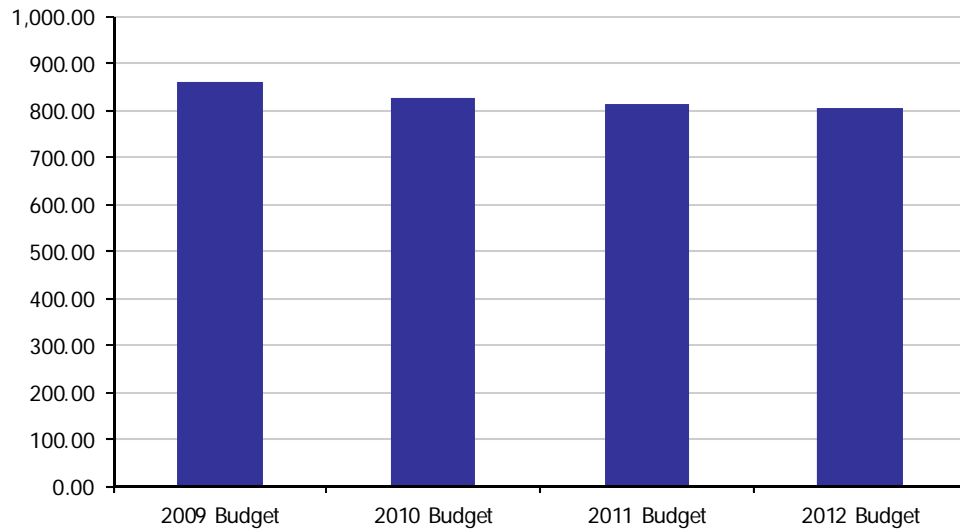


# PARK BOARD

## Staffing Information

	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
<b>TOTAL</b>	859.00	827.00	811.18	802.40	-1.1%	(8.78)

## Positions 2009-2012



## MINNEAPOLIS PUBLIC HOUSING AUTHORITY

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### **MISSION**

To promote and deliver quality, well-managed homes to a diverse low-income population and, as a valued partner, contribute to the well-being of the individuals, families and community we serve.

### **BUSINESS LINES**

#### **Low Income Public Housing Overview**

Public housing was established by the federal government to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. The U.S. Department of Housing and Urban Development (HUD) provides operating subsidies for the management of housing for low-income residents at rents they can afford. Eligibility for public housing is determined based on the participating family's annual gross income and meeting other federal and local eligibility thresholds. The program is limited to U.S. citizens and specified categories of non-citizens who have eligible immigration status. In addition to federal aid for the operation of public housing, HUD also provides MPHA with capital grant funds for public housing modernization and new public housing unit development.

#### **Low Income Public Housing Performance**

**High Performer Status.** When MPHA first became an independent agency nineteen years ago, it was at risk of being labeled a "troubled" housing authority. It pursued a strategic vision, and with bold and consistent leadership, was able to transform itself. MPHA achieved HUD's highest performance rating, and for over a decade MPHA has maintained that status. Under the Public Housing Assessment System (PHAS), HUD rates public housing authorities across the nation in various performance categories, including the physical condition of property, financial status, and management practices. Through prudent investments and wise operational practices, MPHA has consistently received grades in excess of 90% in all these areas. MPHA's most recent financial audit by the State of Minnesota Auditor shows no findings in its Low Income Public Housing operations.

#### **Section 8 Housing Choice Voucher Program Overview**

The Section 8 Housing Choice Voucher Program (HCV) assists very low-income families, the elderly, and the disabled in finding decent, affordable, safe, and sanitary housing in the private market. Eligible program participants may rent single-family homes, townhouses, duplexes, and apartments where the owner of the selected property and the property itself has been approved for program participation. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Eligibility for participation in the Section 8 HCV Program is based on income, eligible citizenship status, and the ability to pass a criminal history background check. The amount of the subsidy available to the family is based on the family's income level and the household's composition. In general, the family's income may not exceed 50 percent of the median income for the county or metropolitan area in which the family chooses to live. By law, MPHA must provide 75 percent of its vouchers to applicants whose incomes do not exceed 30 percent of the area median income.

**Collaboration with the City and the County.** MPHA's Section 8 HCV staff continues to work in partnership with City of Minneapolis elected officials and senior staff, along with neighborhood groups, to develop solutions and to resolve issues associated with program participants and the properties leased to them.

In July 2010 we entered into an agreement with the Minneapolis Police Department to assist the Section 8 HCV Program with its program integrity. A Minneapolis Police Sergeant investigates alleged criminal activity, neighborhood complaints, and suspected fraud committed by voucher

holders or program owners who participate in the Section 8 HCV Program. The goal is to clearly demonstrate MPHA's commitment to protecting the Program's integrity when there is reason to believe that any criminal or fraudulent activity is taking place in connection with the Section 8 HCV Program.

### **Capital Improvements Program**

MPHA's Facilities and Development Department works closely with the Executive Director to identify, catalog, and prioritize capital needs and develop an action plan that ensures the preservation of MPHA properties. This department also takes the lead in new development initiatives. With its Moving to Work authority, the infusion of American Recovery and Reinvestment Act (ARRA) funds, and its Energy Performance Contract initiative, MPHA has been able to strategically allocate its resources to make substantial improvements in our managed portfolio of capital assets. These improvements position the agency to make significant progress in its capital needs backlog, and enhance its ability to address energy conservation needs, thereby reducing MPHA's carbon footprint, while ensuring the long-term preservation of its housing stock. Energy Performance Contract. MPHA entered into a \$33.6 million contract with Honeywell International, Inc. in 2007 to implement energy conservation measures throughout MPHA's high-rise apartment inventory. The contract, which is primarily financed through a municipal lease from Bank of America, was authorized under a special HUD incentive program that encourages PHAs to borrow private capital to fund energy improvements. The improvements, now completed, include replacing 40-to-50-year-old boilers, installing low flow toilets and shower heads, and replacing existing stoves with energy efficient models.

This fully implemented project is now in its "guaranteed savings period", which yields over \$2 million of combined water, gas, and electricity savings annually. These savings provide the financial backing for satisfying the Bank of America loan which paid for the conservation improvements.

American Recovery and Reinvestment Act (ARRA) Grants. The American Recovery and Reinvestment Act of 2009 was enacted by Congress and signed into law by President Barack Obama on February 17, 2009. This legislation was enacted to provide a stimulus to the U.S. economy in the wake of the economic downturn brought about by the subprime mortgage crisis and the resulting credit crunch.

In March 2009, MPHA received an ARRA Capital Fund Formula Grant of \$18.2 million. In addition, MPHA successfully competed for three ARRA grants totaling over \$31.6 million, which were awarded in September 2009, for the creation of a new state-of-the-art Senior Center, a first in the nation "green" 48-unit public housing Memory Care–Continuum of Care housing development, and an energy efficient Scattered Site "green" initiative.

### **Funding Sources and Uses**

As in previous years, the MPHA was heavily financed from the federal government. In 2010, federal grants and subsidies made up 80 percent of the MPHA's sources of funds. These funds were provided for general program operation, capital uses for both improvements for existing structures and new public housing development, and Section 8 housing assistance subsidies. The percentage of funding provided from capital grants increased from 13 percent of the sources in 2008 to 21 percent of total sources in 2009 and 2010. The increase in capital grants primarily relates to capital funding from ARRA, implementation of energy conservation measures, and the decision to accelerate capital spending given the financial flexibility afforded by the MTW Program.

The majority of uses of funds were for capital improvements. Uses for public housing capital improvements increased from 25 percent of total uses in 2009 to 43 percent of total uses in 2010.

In most years, the majority of uses were for housing assistance payments (HAP) to Section 8 landlords, which made up 28% of uses in 2010 compared to 37 percent in 2009. The large increase in capital improvements is the result of ARRA funding and the implementation of capital improvements for energy conservation.

**2012 Federal Funding Outlook**

MPHA is predominantly funded by the federal government through federal grants and subsidies. Although federal appropriations have not been determined for 2012, MPHA anticipates that there will be significant reductions in federal assistance. The President’s 2012 Budget Request to Congress calls for a 17% reduction in public housing operating subsidies (est. \$3.4 million loss) from the 2011 level funded. MPHA’s capital grant funds were reduced in 2011 by \$2.3 million and it is unlikely that the 2012 appropriations for capital grant funds will be any higher.

**FINANCIAL ANALYSIS**

**EXPENDITURE & REVENUE**

The City sponsored portion of MPHA’s expense and revenue budgets match at \$434,749.

**MAYOR’S RECOMMENDED BUDGET**

The Mayor recommended no tax levy for MPHA, but recommended no changes to the MPHA budget, which includes a PILOT reduction of \$434,000.

**COUNCIL ADOPTED BUDGET**

Council approved the Mayor’s recommendation.

Security Services		Citizen Participation		Total Budget Request	
<b>Sources</b>		<b>Sources</b>		<b>Sources</b>	
Tax Levy <sup>1</sup>	\$0			Tax Levy <sup>1</sup>	\$0
CDBG	\$0	CDBG	\$0	CDBG	\$0
PILOT Reduction <sup>2</sup>	\$434,749			PILOT Reduction <sup>2</sup>	\$434,749
<b>Uses</b>		<b>Uses</b>		<b>Uses</b>	
Security Guards	\$434,749	Citizen Participation	\$0	Security Guards	\$434,749
				Citizen Participation	\$0
				<b>Total Request</b>	<b>\$434,749</b>

<sup>1</sup> City Council eliminated any taxes payable to MPHA in 2012.

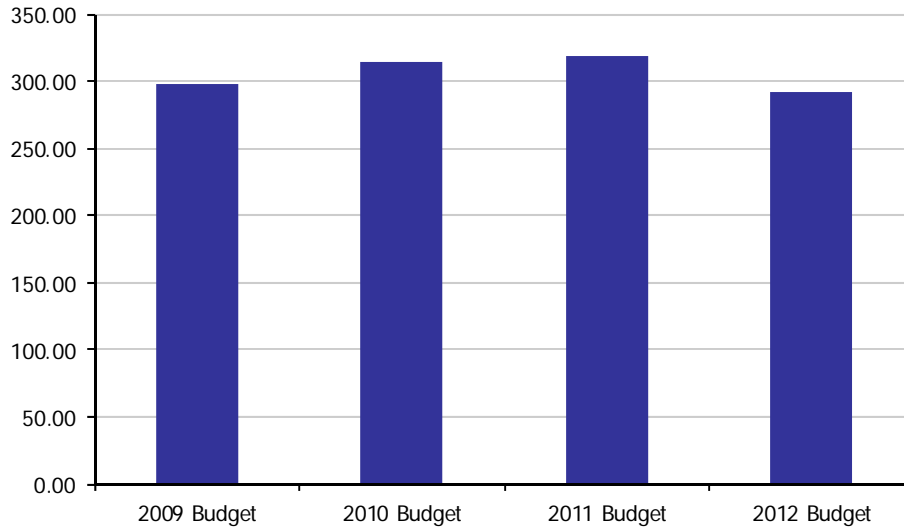
<sup>2</sup> By State Statute MPHA is exempt from real and personal property taxes, but through the Cooperative Agreement with the City, MPHA is required to make payment in lieu of taxes. The City has agreed to reduce MPHA’s PILOT by 50% since the inception of the High-rise Security program. MPHA would use the savings to fund public housing costs.

# MPHA

## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
PUBLIC HOUSING	298.00	313.86	318.00	292.00	-8.2%	(26.00)
<b>TOTAL</b>	<b>298.00</b>	<b>313.86</b>	<b>318.00</b>	<b>292.00</b>	<b>-8.2%</b>	<b>(26.00)</b>

### Positions 2009-2012



## YOUTH COORDINATING BOARD

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### MISSION

Dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.

### GOALS AND STRATEGIC ACTIVITIES

The YCB has four primary goals for 2012:

*All Minneapolis children enter kindergarten ready to be successful in school.*

- Work to ensure low-income children and families' access to high quality childcare and early learning opportunities.
- Support a seamless transition from early childhood to kindergarten.
- Work to ensure all children receive early childhood screening by the age of 3 and that health care support is available in child care centers throughout Minneapolis.

*All Minneapolis young people succeed in school and graduate from high school.*

- Support school and community efforts to eliminate the achievement gap.
- Support the expansion of comprehensive, bi-cultural social services in schools for families who are English Language Learners.
- Work to improve the collection of data from student surveys.
- Support expansion of career and education initiatives such as the Minneapolis Promise.

*All Minneapolis young people have access to safe, quality out-of-school opportunities.*

- Create and maintain an online Out of School Time information resource.
- Work with youth-serving agencies to create a common framework for quality program assessment.
- Work to increase public and private funding for Out of School Time activities.
- Support the goals of the Blueprint for Action: Preventing Youth Violence in Minneapolis.

*All Minneapolis children and young people are ready to further their potential through lifelong learning, work experience, and community connections.*

- Support the Minneapolis Youth Congress with staffing, funding, and training.
- Support the establishment of an annual convention between young people and community leaders from both the public and private sectors.
- Work with and encourage our jurisdictional partners to develop and strengthen formal mechanisms for authentic youth engagement in their decision making.
- Coordinate with youth engagement programs community-wide on policy initiatives, programs, and planning.

YCB also has infrastructure goals related to developing capacity to address policy issues affecting Minneapolis children and youth, educating legislators on related policy matters, and disseminating information on such issues.

### FINANCIAL ANALYSIS

#### EXPENDITURE

The 2012 expenditure budget for the YCB is \$1.3 million. The City's general fund provides \$306,000. In the past, YCB has been granted additional dollars through a joint powers agreement between the City, County, School District and the Park Board.

## REVENUE

The YCB's 2012 revenue budget is \$1.3 million. In addition to the joint powers agreement, other funding sources for YCB are County and foundation funding.

## FUND ALLOCATION

The department is 100% in special revenue funds. The department receives \$66,000 in CDBG dollars.

## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a \$44,000 cut to the Youth Development program in the City's Health and Family Support department. This reduction will be passed to YCB as a reduction in contractual services.

## COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.

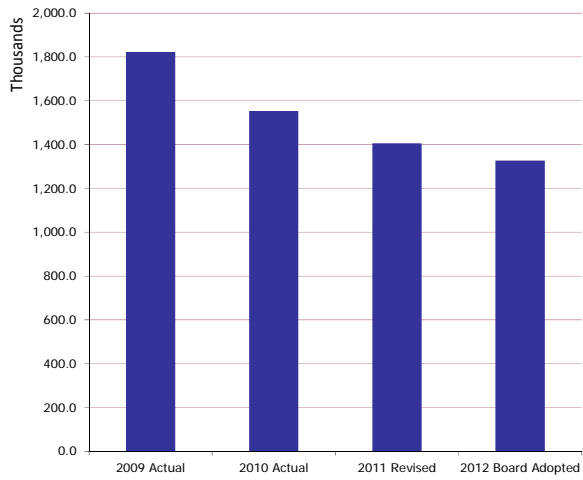
### YOUTH COORDINATING BOARD EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRACTUAL SERVICES	1,382,118	1,101,193	906,383	822,194	-9.3%	(84,189)
FRINGE BENEFITS	89,696	91,006	118,848		-100.0%	(118,848)
OPERATING COSTS	47,316	46,101	9,782	12,800	30.8%	3,018
SALARIES AND WAGES	303,658	314,438	370,849	491,831	32.6%	120,982
<b>TOTAL SPECIAL REVENUE</b>	<b>1,822,788</b>	<b>1,552,738</b>	<b>1,405,861</b>	<b>1,326,824</b>	<b>-5.6%</b>	<b>(79,037)</b>
<b>TOTAL EXPENSE</b>	<b>1,822,788</b>	<b>1,552,738</b>	<b>1,405,861</b>	<b>1,326,824</b>	<b>-5.6%</b>	<b>(79,037)</b>

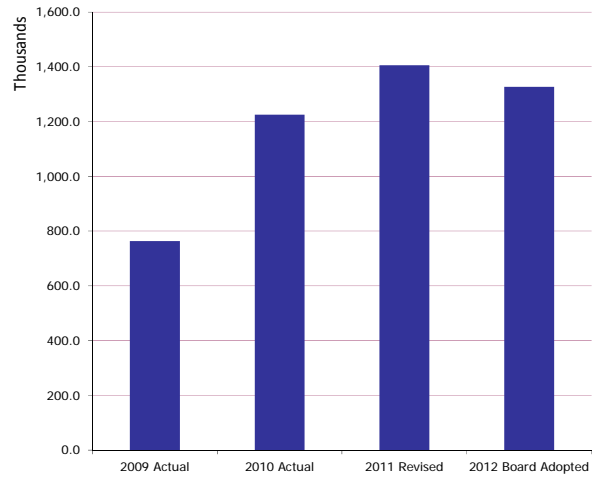
REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
<b>SPECIAL REVENUE</b>						
CONTRIBUTIONS	(163,756)	298,695	357,000	147,000	-62.5%	(223,000)
FEDERAL GOVERNMENT	64,803	64,803	64,803	66,000	0.0%	0
LOCAL GOVERNMENT	841,446	849,235	944,058	1,095,021	40.9%	385,963
OTHER MISC REVENUES	475	88	40,000	18,803	-50.0%	(20,000)
RENTS	20,000	12,000			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>762,968</b>	<b>1,224,821</b>	<b>1,405,861</b>	<b>1,326,824</b>	<b>10.2%</b>	<b>142,963</b>
<b>TOTAL REVENUE</b>	<b>762,968</b>	<b>1,224,821</b>	<b>1,405,861</b>	<b>1,326,824</b>	<b>10.2%</b>	<b>142,963</b>



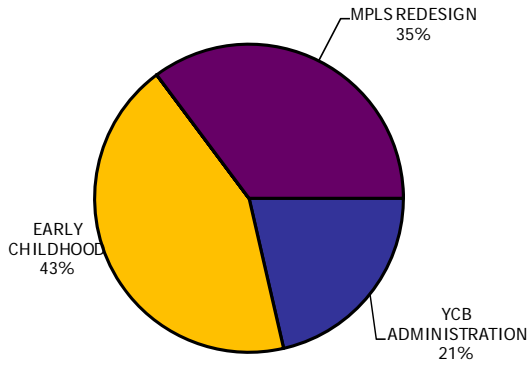
Expense 2009-2012



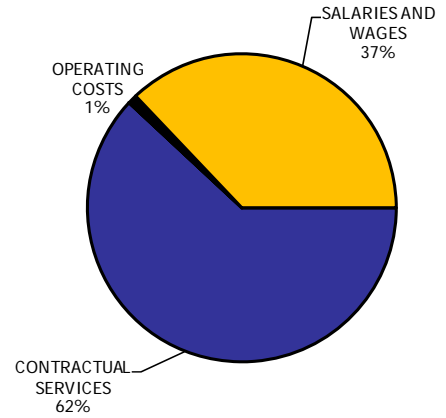
Revenue 2009 - 2012



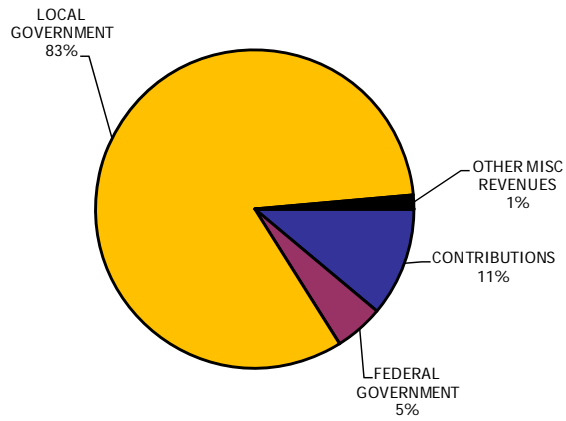
**Expense by Division**



**Expense by Category**



**Direct Revenue by Type**

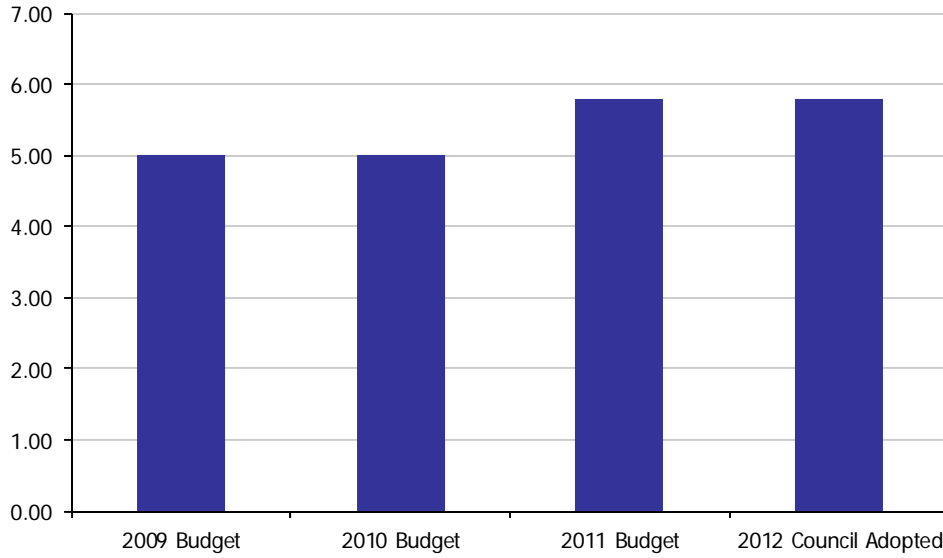


# YOUTH COORDINATING BOARD

## Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
YOUTH COORDINATING BOARD	5.00	5.00	1.00	5.80	480.0%	4.80
YCB ADMINISTRATION			1.00		-100.0%	(1.00)
NELC			3.80		-100.0%	(3.80)
<b>TOTAL</b>	<b>5.00</b>	<b>5.00</b>	<b>5.80</b>	<b>5.80</b>	<b>0.0%</b>	

## Positions 2009-2012



# City of Minneapolis 2012 Budget

## Financial Schedules

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The schedules that follow represent the legally adopted appropriations, revenue estimates, project allocations, fees, and charges.

Please note all schedules, except for Schedule 8, exclude transfers.

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**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**  
(excludes transfers)

		Total Revenue	Total Expense	Change in Fund Balance
GENERAL	GENERAL FUND	356,923,097	337,869,145	19,053,952
<b>TOTAL GENERAL</b>		<b>356,923,097</b>	<b>337,869,145</b>	<b>19,053,952</b>
SPECIAL REVENUE	TAX INCREMENT ADMINISTRATION		100,000	-100,000
	Central Ave Lofts	58,196	52,904	5,292
	CAMDEN MEDICAL FACILITY	47,252		47,252
	ST ANNE'S HOUSING	24,257	22,330	1,927
	ANTIQUES MINNESOTA	35,028	35,910	-882
	COMMON PROJECT UNCERTIFIED	731,760	864,002	-132,242
	WEST BROADWAY	363		363
	EAST BANK 1335	585		585
	GRANT	256		256
	CHICAGO AND LAKE	266,453		266,453
	NINTH & HENNEPIN	134,882	72,503	62,379
	NORTH LOOP	7,128		7,128
	INDUSTRY SQUARE	931		931
	SEWARD SOUTH	6,782		6,782
	CEDAR RIVERSIDE	10,616		10,616
	HOUSING FOR CHRONIC ALCOHOLICS	32,164		32,164
	HENNEPIN & LAKE	3,432		3,432
	BROADWAY 35-W	3,743		3,743
	BOTTINEAU	187,143	169,049	18,094
	CONSERVATORY	4,043,771		4,043,771
	LORING PARK	75		75
	LAUREL VILLAGE	2,313,511	109,099	2,204,412
	CITY CENTER	12,154		12,154
	SOUTH NICOLLET MALL	11,061,826	4,411	11,057,415
	CLARE HOUSING	13,162	450	12,712
	2700 EAST LAKE	80,548	73,000	7,548
	EAST PHILLIPS	23,928	21,983	1,945
	EAST VILLAGE	225,703	203,670	22,033
	50TH & FRANCE	240,468	216,920	23,548
	FRANKLIN PORTLAND WELLSTONE	41,794	38,049	3,745
	FORMER FED RESERVE	1,270,696	1,644,606	-373,910
	GRAIN BELT	176,809	159,632	17,177
	GRACO TI	54,023	49,177	4,846
	GRAIN BELT HOUSING DIST 132	51,215	200,331	-149,116
	13TH AND HARMON	280,146	252,698	27,448
	PARCEL C TI DISTRICT	478,471	435,930	42,541
	HISTORIC DEPOT REUSE DIST 93	790,785	3,098	787,687
	HENNEPIN & 7TH ENTERTAINMENT	2,127,585	6,461	2,121,124
	HUMBOLDT GREENWAY DIST 98	242,380	72,327	170,053
	HIAWATHA COMMONS HOUSING	81,431	73,772	7,659
	Humboldt Industrial Park	163,927	148,070	15,857
	HERITAGE LAND APTS	576,030	477,604	98,426
	HERITAGE PARK	391,595	1,600	389,995
	900 6TH AVE SE	71,185	64,557	6,628

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**  
(excludes transfers)

	Total Revenue	Total Expense	Change in Fund Balance
EAST HENNEPIN & UNIVERSITY	1,416,941	164,500	1,252,441
IVY TOWER	789,532	385,200	404,332
JOURDAIN	47,348	43,072	4,276
LOCAL CONTRIBUTION FUND	462,000	911,378	-449,378
Lonfellow Station	121,812	207,304	-85,492
Lyndale Green	4,265	22,467	-18,202
LOWRY RIDGE	103,117	92,713	10,404
LAKE STREET CENTER	2,368,143	2,080,485	287,658
MAGNUM LOFTS	55,445	50,378	5,067
MANY RIVERS	69,144	62,722	6,422
MANY RIVERS WEST	42,734	38,949	3,785
1900 CENTRAL AVE HSG	74,644	67,667	6,977
NICOLLET FRANKLIN	247,521	223,589	23,932
NOKOMIS	77,625	100,045	-22,420
Coloplast	332,414	301,509	30,905
Consolidated TIF District	7,984,069	2,751,399	5,232,670
PORTLAND PLACE	101,525	70,750	30,775
CENTRAL & 20TH	124,459		124,459
MILES I	139,827		139,827
NBA ARENA	981,408		981,408
PHILLIPS PARK	65,063	58,498	6,565
LASALLE PLACE	2,089,673		2,089,673
CAPITAL PROJECTS- OTHER	50,000	28,168	21,832
PRELIMINARY PLANNING	33,600	2,399,701	-2,366,101
NEIMAN MARCUS	1,423,218		1,423,218
IDS DATA SERVICE CENTER	3,073,781		3,073,781
RIPLEY GARDENS	57,575	52,320	5,255
CREAMETTE DISTRICT 84	163,935	147,394	16,541
MARSHALL RIVER RUN	87,693	79,427	8,266
ROSACKER NURSERY SITE	155,722	525,000	-369,278
STONE ARCH APARTMENTS	304,860	274,918	29,942
SPRING & CENTRAL	16,300		16,300
SHINGLE CREEK COMMONS	78,441	71,081	7,360
ST ANTHONY MILLS	88,770	80,395	8,375
STINSON	887,659	1,090,814	-203,155
SEMI-PHASE 1	561,479	565,633	-4,154
SEMI-PHASE 2	272,125	305,314	-33,189
SEMI-PHASE 3	70,087	525	69,562
SEMI-PHASE 4		700	-700
SEMI-PHASE 5	177,075	159,870	17,205
TOWERS AT ELLIOT PARK	1,510,298	2,450	1,507,848
2ND ST N HOTEL/APTS TOWNPLACE	236,523	213,401	23,122
10TH AND WASHINGTON	511,213	725	510,488
UNITED VAN BUS	74,016	200,000	-125,984
EAST RIVER / UNOCAL SITE	222,345	750	221,595
URBAN VILLAGE	438,169	406,875	31,294
Van Cleve East	36,738	33,528	3,210
VILLAGE IN PHILLIPS HOUSING	56,731	51,662	5,069

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**  
(excludes transfers)

	Total Revenue	Total Expense	Change in Fund Balance
Van Cleve Redevelopment	182,115	205,667	-23,552
Van Cleve West	55,782	50,626	5,156
WASHINGTON COURTS APTS	19,549	18,044	1,505
WEST SIDE MILLING DISTRICT	2,227,408	11,685	2,215,723
WEST RIVER COMMONS	102,174	92,446	9,728
HSG REPLACE-WATERSHED 0	339,740	203,522	136,218
HOUSING REPLACEMENT 2	54,414	72,993	-18,579
HSG REPLACE-WATERSHED 3	5,045	500	4,545
BLOCK 33	24,451		24,451
CPED NEIGHBORHOOD DEVEL ACCT		202,567	-202,567
CPED OPERATING	5,052,561	6,988,719	-1,936,158
NRP ADMINISTRATION		350,365	-350,365
COMMUNITY DEVELOPMENT INVEST DEVELOPMENT ACCOUNT	150,000	2,604	-2,604
ECONOMIC DEVELOPMENT PROGRAM	4,524,000	3,571,551	-3,421,551
HOUSING PROGRAM	601,000	4,012,591	511,409
HOME OWNERSHIP WORKS		1,139,231	-538,231
RESIDENTIAL HOUSING	489,000	400,000	-400,000
BOARD OF ESTIMATE AND TAXATION	166,600	516,751	-27,751
Downtown Improvement District	5,800,000	175,500	-8,900
POLICE DEPT - SPECIAL REVENUE	2,135,000	5,800,000	0
ARENA - RESERVE		1,832,368	302,632
GRANTS - FEDERAL	15,812,505	7,448,200	-7,448,200
CDBG & UDAG FUNDS	14,063,778	15,718,805	93,700
HOME	2,072,652	14,063,777	1
GRANTS - OTHER	6,905,376	2,072,651	1
CONVENTION CENTER OPERATIONS	79,465,751	6,905,380	-4
NCR - SPECIAL REVENUE		41,272,238	38,193,513
Regulatory Services Special Revenue Fund	6,051,702	5,210,173	-5,210,173
EMPLOYEE RETIREMENT	22,060,780	8,451,702	-2,400,000
PARK - GENERAL FUND	58,392,896	22,060,780	0
PARK - MUSEUM (ART INSTITUTE)	10,956,697	58,557,896	-165,000
PARK - GRANT & SPECIAL REVENUE	1,367,600	10,956,697	0
MUNICIPAL BUILDING COMMISSION	8,230,959	67,600	1,300,000
YOUTH COORDINATING BOARD	1,260,824	7,974,789	256,170
PUBLIC HOUSING AUTHORITY	434,749	1,260,824	-0
<b>TOTAL SPECIAL REVENUE</b>	<b>303,656,359</b>	<b>248,001,407</b>	<b>55,654,952</b>
CAPITAL PROJECT			
CAPITAL IMPROVEMENTS	56,404,500	66,411,998	-10,007,498
PARK - CAPITAL IMPROVEMENTS	16,624,248	16,624,248	0
PARK-CAPITAL IMPROVE-ASSESSED	1,000,000	1,000,000	0
MBC - CAPITAL IMPROVEMENTS	1,106,000	1,106,000	0
<b>TOTAL CAPITAL PROJECT</b>	<b>75,134,748</b>	<b>85,142,246</b>	<b>-10,007,498</b>
DEBT SERVICE			
01 IMPROVEMENT BONDS - 20 YR		180,050	-180,050
96 IMPROVEMENT BONDS		122,750	-122,750
97 IMPROVEMENT BONDS		193,725	-193,725
98 IMPROVEMENT BONDS		1,586	-1,586

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**  
(excludes transfers)

	Total Revenue	Total Expense	Change in Fund Balance
BOND REDEM ARBIT 6/93 IMP BOND		165,000	-165,000
NOV10 IMPROV BOND D/S		1,084,250	-1,084,250
OCT 02 IMPROV BOND D/S		392,400	-392,400
NOV03 IMPROV BOND D/S		532,900	-532,900
NOV04 IMPROV BOND D/S		800,463	-800,463
NOV05 IMPROV BOND D/S		354,688	-354,688
NOV06 IMPROV BOND D/S		324,900	-324,900
NOV07 IMPROV BOND D/S		521,025	-521,025
NOV08 IMPROV BOND D_S		976,138	-976,138
NOV09 IMPROV BOND D/S		1,179,200	-1,179,200
Diseased Tree Assessment D/S		490,200	-490,200
BOND REDEMPTION - DEBT SERVICE	18,500,000	12,689,780	5,810,220
OTH SELF SUPPORTING DEBT SERVC		970,425	-970,425
MIDTOWN EXCH 108 LOAN ACCOUNT		581,338	-581,338
PENSION FUND DEBT SERVICE		53,216,413	-53,216,413
Library Ref Debt Service		9,169,413	-9,169,413
CONVENTION CENTER-DEBT SERVICE		20,075,275	-20,075,275
TARGET CENTER		4,955,951	-4,955,951
TAX INCREMENT - DEBT SERVICE		12,615,019	-12,615,019
<b>TOTAL DEBT SERVICE</b>	<b>18,500,000</b>	<b>121,592,889</b>	<b>-103,092,889</b>
INTERNAL SERVICE MATERIALS & LAB-INTERNAL SVC	1,552,000	1,459,970	92,030
EQUIPMENT - INTERNAL SERVICE	41,027,734	46,663,571	-5,635,837
Property Services	16,125,040	16,935,044	-810,004
STORES - INTERNAL SERVICE	910,000	1,057,930	-147,930
INFO TECH - INTERNAL SERVICE	29,462,138	39,116,369	-9,654,231
SELF INSURANCE-INTERNAL SVC	27,354,930	26,379,865	975,065
PARK - INTERNAL SERVICE	5,194,291	5,236,248	-41,957
PARK-SELF INSURE-INTERNAL SVC	2,028,027	2,028,027	0
<b>TOTAL INTERNAL SERVICE</b>	<b>123,654,160</b>	<b>138,877,024</b>	<b>-15,222,864</b>
ENTERPRISE DEFAULTED PROPERTY ADMIN	328,000	69,222	258,778
FED HOME LN BANK ECON DEVELOP		75,000	-75,000
RIVER TERMINAL		1,514,125	-1,514,125
GARFS	4,367,000	2,882,419	1,484,581
SURFACE WATER & SEWER-SANITARY	59,593,372	55,977,603	3,615,769
SURFACE WATER & SEWER-STORMWATER	50,690,065	45,774,227	4,915,838
WATER - ENTERPRISE	77,450,085	72,841,580	4,608,504
MUNICIPAL PARKING-ENTERPRISE	56,395,035	67,138,332	-10,743,297
SOLID WASTE - ENTERPRISE	30,595,087	32,880,051	-2,284,964
PARK - OPERATIONS - ENTERPRISE	14,287,599	13,992,599	295,000
<b>TOTAL ENTERPRISE</b>	<b>293,706,243</b>	<b>293,145,157</b>	<b>561,086</b>
<b>TOTAL ALL FUNDS</b>	<b>1,171,574,607</b>	<b>1,224,627,868</b>	<b>-53,053,262</b>



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

<b>AGENCY</b>	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>% Change</b>
<b><u>INVESTMENT POOL</u></b>					
INTEREST	9,351	(31,875)			0.0%
<b>Total INVESTMENT POOL</b>	<b>9,351</b>	<b>(31,875)</b>			<b>0.0%</b>
<b><u>GENERAL FIXED ASSETS-CITY</u></b>					
GAINS	1,611				0.0%
LONG TERM LIABILITIES PROCEEDS	(1,611)				0.0%
<b>Total GENERAL FIXED ASSETS-CITY</b>					<b>0.0%</b>
<b>TOTAL AGENCY</b>	<b>9,351</b>	<b>(31,875)</b>			<b>0.0%</b>

**GENERAL**

<b><u>GENERAL FUND</u></b>					
PROPERTY TAXES	166,572,706	68,945	169,611,800	177,107,815	4.4%
SALES AND OTHER TAXES	(3,822)				0.0%
FRANCHISE FEES	28,053,256	3,280,722	27,810,000	27,500,000	-1.1%
LICENSE AND PERMITS	27,576,152	26,540,842	27,865,167	29,320,911	5.2%
FEDERAL GOVERNMENT	113,549	23,834			0.0%
STATE GOVERNMENT	84,392,774	11,088,950	67,140,509	66,981,812	-0.2%
LOCAL GOVERNMENT	500,381	1,038,177	753,614	531,405	-29.5%
CHARGES FOR SERVICES	39,991,382	10,987,675	38,876,473	40,319,578	3.7%
CHARGES FOR SALES	80,445	66,060	29,833	41,433	38.9%
FINES AND FORFEITS	8,528,637	8,810,328	9,638,287	9,495,414	-1.5%
SPECIAL ASSESSMENTS	3,247,494	2,792,888	2,589,574	2,342,804	-9.5%
INTEREST	1,081,517	1,847,817	1,500,000	1,500,000	0.0%
RENTS	31,502	4,227	10,000		-100.0%
CONTRIBUTIONS	461,434	492,246	450,000	800,000	77.8%
OTHER MISC REVENUES	681,309	637,135	5,141,767	981,925	-80.9%
<b>Total GENERAL FUND</b>	<b>361,308,714</b>	<b>67,679,845</b>	<b>351,417,024</b>	<b>356,923,097</b>	<b>1.6%</b>
<b>TOTAL GENERAL</b>	<b>361,308,714</b>	<b>67,679,845</b>	<b>351,417,024</b>	<b>356,923,097</b>	<b>1.6%</b>

**SPECIAL REVENUE**

<b><u>HUMBOLDT GREENWAY TE BONDS</u></b>					
INTEREST	4,168	1,236			0.0%
<b>Total HUMBOLDT GREENWAY TE BONDS</b>	<b>4,168</b>	<b>1,236</b>			<b>0.0%</b>
<b><u>URBAN VILLAGE TE BONDS</u></b>					
INTEREST	1,528	(76)			0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>1,528</b>	<b>(76)</b>			<b>0.0%</b>

**WEST SIDE MILLING TE BONDS**

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
INTEREST	(1)	0			0.0%
<b>Total WEST SIDE MILLING TE BONDS</b>	<b>(1)</b>	<b>0</b>			<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS II</u></b>					
INTEREST	475	74			0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>475</b>	<b>74</b>			<b>0.0%</b>
<b><u>TAX INCREMENT ADMINISTRATION</u></b>					
INTEREST	(18,547)	(15,532)			0.0%
OTHER MISC REVENUES	376				0.0%
<b>Total TAX INCREMENT ADMINISTRATION</b>	<b>(18,171)</b>	<b>(15,532)</b>			<b>0.0%</b>
<b><u>Central Ave Lofts</u></b>					
PROPERTY TAXES	62,025	78,516	76,784	58,171	-24.2%
INTEREST	11	201	48	25	-47.9%
<b>Total Central Ave Lofts</b>	<b>62,036</b>	<b>78,717</b>	<b>76,832</b>	<b>58,196</b>	<b>-24.3%</b>
<b><u>CAMDEN MEDICAL FACILITY</u></b>					
PROPERTY TAXES	39,166	40,280	41,085	47,180	14.8%
INTEREST	981	1,264	12	72	500.0%
<b>Total CAMDEN MEDICAL FACILITY</b>	<b>40,147</b>	<b>41,544</b>	<b>41,097</b>	<b>47,252</b>	<b>15.0%</b>
<b><u>ST ANNE'S HOUSING</u></b>					
PROPERTY TAXES	45,769	27,996	55,416	24,255	-56.2%
INTEREST	(100)	22	26	2	-92.3%
<b>Total ST ANNE'S HOUSING</b>	<b>45,669</b>	<b>28,018</b>	<b>55,442</b>	<b>24,257</b>	<b>-56.2%</b>
<b><u>ANTIQUES MINNESOTA</u></b>					
PROPERTY TAXES	39,162	34,423	40,292	35,023	-13.1%
INTEREST	(62)	38	11	5	-54.5%
<b>Total ANTIQUES MINNESOTA</b>	<b>39,100</b>	<b>34,461</b>	<b>40,303</b>	<b>35,028</b>	<b>-13.1%</b>
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
CHARGES FOR SERVICES		1,500	38,000		-100.0%
CHARGES FOR SALES		10,235			0.0%
INTEREST	134,717	(35,182)			0.0%
RENTS	141,700	201,332	68,760	93,760	36.4%
OTHER MISC REVENUES	1,549	128,795		638,000	100.0%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>277,966</b>	<b>306,681</b>	<b>106,760</b>	<b>731,760</b>	<b>585.4%</b>
<b><u>WEST BROADWAY</u></b>					
PROPERTY TAXES	467,026	(555)			0.0%
STATE GOVERNMENT	11,141				0.0%
INTEREST	2,500	3,390	363	363	0.0%
<b>Total WEST BROADWAY</b>	<b>480,666</b>	<b>2,835</b>	<b>363</b>	<b>363</b>	<b>0.0%</b>
<b><u>EAST BANK 1335</u></b>					
PROPERTY TAXES	1,468,807	(12,260)			0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
STATE GOVERNMENT	85,809				0.0%
INTEREST	9,673	9,543	585	585	0.0%
<b>Total EAST BANK 1335</b>	<b>1,564,289</b>	<b>(2,716)</b>	<b>585</b>	<b>585</b>	<b>0.0%</b>
<b><u>GRANT</u></b>					
PROPERTY TAXES	310,936				0.0%
INTEREST	600	558	256	256	0.0%
<b>Total GRANT</b>	<b>311,537</b>	<b>558</b>	<b>256</b>	<b>256</b>	<b>0.0%</b>
<b><u>CHICAGO AND LAKE</u></b>					
PROPERTY TAXES	224,103	212,845	217,102	265,345	22.2%
INTEREST	826	2,596	1,108	1,108	0.0%
<b>Total CHICAGO AND LAKE</b>	<b>224,929</b>	<b>215,441</b>	<b>218,210</b>	<b>266,453</b>	<b>22.1%</b>
<b><u>NINTH &amp; HENNEPIN</u></b>					
PROPERTY TAXES	63,367	63,057	64,317	70,034	8.9%
INTEREST	(366)	(452)	30	48	60.0%
RENTS	360				0.0%
OTHER MISC REVENUES	13,688			64,800	100.0%
<b>Total NINTH &amp; HENNEPIN</b>	<b>77,049</b>	<b>62,604</b>	<b>64,347</b>	<b>134,882</b>	<b>109.6%</b>
<b><u>NORTH LOOP</u></b>					
PROPERTY TAXES	5,802,450	(749,940)			0.0%
STATE GOVERNMENT	60,999				0.0%
INTEREST	22,110	16,492	7,128	7,128	0.0%
<b>Total NORTH LOOP</b>	<b>5,885,560</b>	<b>(733,449)</b>	<b>7,128</b>	<b>7,128</b>	<b>0.0%</b>
<b><u>INDUSTRY SQUARE</u></b>					
PROPERTY TAXES	2,658,425	(2,925)			0.0%
STATE GOVERNMENT	15,873				0.0%
INTEREST	1,991	(30,490)	931	931	0.0%
<b>Total INDUSTRY SQUARE</b>	<b>2,676,288</b>	<b>(33,414)</b>	<b>931</b>	<b>931</b>	<b>0.0%</b>
<b><u>SEWARD SOUTH</u></b>					
PROPERTY TAXES	1,277,824	(3,926)			0.0%
STATE GOVERNMENT	6,724				0.0%
INTEREST	8,844	12,814	6,782	6,782	0.0%
OTHER MISC REVENUES	8,166	8,166			0.0%
<b>Total SEWARD SOUTH</b>	<b>1,301,559</b>	<b>17,054</b>	<b>6,782</b>	<b>6,782</b>	<b>0.0%</b>
<b><u>CEDAR RIVERSIDE</u></b>					
PROPERTY TAXES	2,029,395	(14,844)			0.0%
STATE GOVERNMENT	98,584				0.0%
CHARGES FOR SERVICES	13,038				0.0%
INTEREST	12,853	21,675	10,616	10,616	0.0%
RENTS	26,080	38,926			0.0%
<b>Total CEDAR RIVERSIDE</b>	<b>2,179,950</b>	<b>45,756</b>	<b>10,616</b>	<b>10,616</b>	<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b><u>HOUSING FOR CHRONIC ALCOHOLICS</u></b>					
PROPERTY TAXES	28,525	26,670	27,204	32,157	18.2%
INTEREST	345	634	7	7	0.0%
<b>Total HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>28,870</b>	<b>27,304</b>	<b>27,211</b>	<b>32,164</b>	<b>18.2%</b>
<b><u>HENNEPIN &amp; LAKE</u></b>					
PROPERTY TAXES	688,102				0.0%
INTEREST	3,919	7,634	3,432	3,432	0.0%
<b>Total HENNEPIN &amp; LAKE</b>	<b>692,020</b>	<b>7,634</b>	<b>3,432</b>	<b>3,432</b>	<b>0.0%</b>
<b><u>BROADWAY 35-W</u></b>					
PROPERTY TAXES	778,072				0.0%
INTEREST	3,093	8,325	3,743	3,743	0.0%
<b>Total BROADWAY 35-W</b>	<b>781,165</b>	<b>8,325</b>	<b>3,743</b>	<b>3,743</b>	<b>0.0%</b>
<b><u>BOTTINEAU</u></b>					
PROPERTY TAXES	165,342	164,438	170,065	186,999	10.0%
STATE GOVERNMENT	2,219	2,302			0.0%
INTEREST	648	830	124	144	16.1%
<b>Total BOTTINEAU</b>	<b>168,209</b>	<b>167,570</b>	<b>170,189</b>	<b>187,143</b>	<b>10.0%</b>
<b><u>FRANKLIN AVENUE</u></b>					
INTEREST	(136)	9			0.0%
<b>Total FRANKLIN AVENUE</b>	<b>(136)</b>	<b>9</b>			<b>0.0%</b>
<b><u>CONSERVATORY</u></b>					
PROPERTY TAXES	4,401,408	3,966,200	4,060,694	4,031,821	-0.7%
INTEREST	(6,321)	30,141	11,950	11,950	0.0%
<b>Total CONSERVATORY</b>	<b>4,395,087</b>	<b>3,996,341</b>	<b>4,072,644</b>	<b>4,043,771</b>	<b>-0.7%</b>
<b><u>LORING PARK</u></b>					
PROPERTY TAXES	2,338,654	(1,879)			0.0%
STATE GOVERNMENT	88,742				0.0%
INTEREST	14,331	27,754	75	75	0.0%
<b>Total LORING PARK</b>	<b>2,441,727</b>	<b>25,875</b>	<b>75</b>	<b>75</b>	<b>0.0%</b>
<b><u>LAUREL VILLAGE</u></b>					
PROPERTY TAXES	710,375	1,096,042	1,117,977	1,313,511	17.5%
INTEREST	36,430	30,234	1,115		-100.0%
RENTS	1,964,752	2,337,786	1,000,000	1,000,000	0.0%
<b>Total LAUREL VILLAGE</b>	<b>2,711,557</b>	<b>3,464,061</b>	<b>2,119,092</b>	<b>2,313,511</b>	<b>9.2%</b>
<b><u>CITY CENTER</u></b>					
PROPERTY TAXES	1,395,773				0.0%
INTEREST	7,902	13,145	12,154	12,154	0.0%
<b>Total CITY CENTER</b>	<b>1,403,675</b>	<b>13,145</b>	<b>12,154</b>	<b>12,154</b>	<b>0.0%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
PROPERTY TAXES	9,929,614	9,263,654	9,685,849	9,631,018	-0.6%
INTEREST	21,166	47,644	51,343	30,808	-40.0%
RENTS	1,396,745	1,436,605	1,400,000	1,400,000	0.0%
<b>Total SOUTH NICOLLET MALL</b>	<b>11,347,525</b>	<b>10,747,904</b>	<b>11,137,192</b>	<b>11,061,826</b>	<b>-0.7%</b>
<b><u>CENTRAL CARE NURSING HOME</u></b>					
INTEREST	(11)	(4)			0.0%
<b>Total CENTRAL CARE NURSING HOME</b>	<b>(11)</b>	<b>(4)</b>			<b>0.0%</b>
<b><u>CLARE HOUSING</u></b>					
PROPERTY TAXES	13,275	13,218	13,483	13,036	-3.3%
INTEREST	436	491	131	126	-3.8%
<b>Total CLARE HOUSING</b>	<b>13,711</b>	<b>13,709</b>	<b>13,614</b>	<b>13,162</b>	<b>-3.3%</b>
<b><u>DEEP ROCK TAX INCREMENT</u></b>					
INTEREST	(1)	(4)			0.0%
<b>Total DEEP ROCK TAX INCREMENT</b>	<b>(1)</b>	<b>(4)</b>			<b>0.0%</b>
<b><u>DOWNTOWN EAST LRT</u></b>					
INTEREST	35,751	22,410			0.0%
<b>Total DOWNTOWN EAST LRT</b>	<b>35,751</b>	<b>22,410</b>			<b>0.0%</b>
<b><u>2700 EAST LAKE</u></b>					
PROPERTY TAXES	96,613	87,441	89,190	80,500	-9.7%
INTEREST	313	453	79	48	-39.2%
<b>Total 2700 EAST LAKE</b>	<b>96,927</b>	<b>87,894</b>	<b>89,269</b>	<b>80,548</b>	<b>-9.8%</b>
<b><u>EAST PHILLIPS</u></b>					
PROPERTY TAXES	27,689	26,266	26,791	23,926	-10.7%
INTEREST	139	130	13	2	-84.6%
<b>Total EAST PHILLIPS</b>	<b>27,828</b>	<b>26,397</b>	<b>26,804</b>	<b>23,928</b>	<b>-10.7%</b>
<b><u>EAST VILLAGE</u></b>					
PROPERTY TAXES	230,884	211,394	215,623	225,522	4.6%
INTEREST	1,442	1,663	322	181	-43.8%
<b>Total EAST VILLAGE</b>	<b>232,326</b>	<b>213,057</b>	<b>215,945</b>	<b>225,703</b>	<b>4.5%</b>
<b><u>50TH &amp; FRANCE</u></b>					
PROPERTY TAXES	206,674	205,982	210,101	240,272	14.4%
INTEREST	2,084	1,919	317	196	-38.2%
<b>Total 50TH &amp; FRANCE</b>	<b>208,758</b>	<b>207,901</b>	<b>210,418</b>	<b>240,468</b>	<b>14.3%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
PROPERTY TAXES		47,045		41,777	100.0%
INTEREST	(114)	(68)		17	100.0%
<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>(114)</b>	<b>46,977</b>		<b>41,794</b>	<b>100.0%</b>
<b><u>FORMER FED RESERVE</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
PROPERTY TAXES	1,144,817	1,278,910	1,304,490	1,269,507	-2.7%
INTEREST	2,882	5,877	2,462	1,189	-51.7%
<b>Total FORMER FED RESERVE</b>	<b>1,147,699</b>	<b>1,284,787</b>	<b>1,306,952</b>	<b>1,270,696</b>	<b>-2.8%</b>
<b><u>GRAIN BELT</u></b>					
PROPERTY TAXES	158,743	163,046	166,306	176,674	6.2%
INTEREST	839	955	126	135	7.1%
<b>Total GRAIN BELT</b>	<b>159,582</b>	<b>164,002</b>	<b>166,432</b>	<b>176,809</b>	<b>6.2%</b>
<b><u>GRACO TI</u></b>					
PROPERTY TAXES	141,576	111,038	113,259	54,002	-52.3%
INTEREST	(734)	(149)		21	0.0%
<b>Total GRACO TI</b>	<b>140,841</b>	<b>110,889</b>	<b>113,259</b>	<b>54,023</b>	<b>-52.3%</b>
<b><u>GRAIN BELT HOUSING DIST 132</u></b>					
PROPERTY TAXES	77,538	48,646	49,618	51,194	3.2%
INTEREST	440	778	20	21	5.0%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>77,978</b>	<b>49,424</b>	<b>49,638</b>	<b>51,215</b>	<b>3.2%</b>
<b><u>110 GRANT</u></b>					
PROPERTY TAXES	494,922	492,499			0.0%
INTEREST	(551)	1,443			0.0%
<b>Total 110 GRANT</b>	<b>494,371</b>	<b>493,942</b>			<b>0.0%</b>
<b><u>13TH AND HARMON</u></b>					
PROPERTY TAXES	289,713	272,737	278,192	279,914	0.6%
INTEREST	(1,232)	(150)		232	0.0%
<b>Total 13TH AND HARMON</b>	<b>288,481</b>	<b>272,587</b>	<b>278,192</b>	<b>280,146</b>	<b>0.7%</b>
<b><u>PARCEL C TI DISTRICT</u></b>					
PROPERTY TAXES	502,541	466,952	474,637	478,060	0.7%
STATE GOVERNMENT	79	285			0.0%
INTEREST	26,330	14,221	415	411	-1.0%
<b>Total PARCEL C TI DISTRICT</b>	<b>528,950</b>	<b>481,458</b>	<b>475,052</b>	<b>478,471</b>	<b>0.7%</b>
<b><u>HISTORIC DEPOT REUSE DIST 93</u></b>					
PROPERTY TAXES	811,707	767,093	782,434	786,397	0.5%
INTEREST	813	7,691	4,397	4,388	-0.2%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>812,521</b>	<b>774,784</b>	<b>786,831</b>	<b>790,785</b>	<b>0.5%</b>
<b><u>HENNEPIN &amp; 7TH ENTERTAINMENT</u></b>					
PROPERTY TAXES	1,319,862	1,262,499	1,297,927	1,371,558	5.7%
INTEREST	46,009	34,728	1,274	6,027	373.1%
RENTS	1,026,908	899,716	750,000	750,000	0.0%
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>2,392,780</b>	<b>2,196,943</b>	<b>2,049,201</b>	<b>2,127,585</b>	<b>3.8%</b>
<b><u>HUMBOLDT GREENWAY DIST 98</u></b>					
PROPERTY TAXES	282,285	323,902	275,272	242,108	-12.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
STATE GOVERNMENT	14,703	14,957			0.0%
INTEREST	1,586	211	187	272	45.5%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>298,574</b>	<b>339,070</b>	<b>275,459</b>	<b>242,380</b>	<b>-12.0%</b>
<b><u>HIAWATHA COMMONS HOUSING</u></b>					
PROPERTY TAXES	108,007	82,164	83,307	81,385	-2.3%
INTEREST	(130)	151	49	46	-6.1%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>107,877</b>	<b>82,315</b>	<b>83,356</b>	<b>81,431</b>	<b>-2.3%</b>
<b><u>Humboldt Industrial Park</u></b>					
PROPERTY TAXES	155,052	177,442	180,990	163,800	-9.5%
INTEREST	(151)	348	136	127	-6.6%
<b>Total Humboldt Industrial Park</b>	<b>154,900</b>	<b>177,790</b>	<b>181,126</b>	<b>163,927</b>	<b>-9.5%</b>
<b><u>HERITAGE LAND APTS</u></b>					
PROPERTY TAXES	455,501	453,274	462,339	529,560	14.5%
INTEREST	11,203	8,943	855	470	-45.0%
RENTS			46,000	46,000	0.0%
CONTRIBUTIONS	65,696				0.0%
<b>Total HERITAGE LAND APTS</b>	<b>532,400</b>	<b>462,216</b>	<b>509,194</b>	<b>576,030</b>	<b>13.1%</b>
<b><u>HERITAGE PARK</u></b>					
PROPERTY TAXES	606,201	373,829	441,038	391,595	-11.2%
STATE GOVERNMENT	7,425	10,797			0.0%
INTEREST	2,832	4,249			0.0%
<b>Total HERITAGE PARK</b>	<b>616,458</b>	<b>388,875</b>	<b>441,038</b>	<b>391,595</b>	<b>-11.2%</b>
<b><u>900 6TH AVE SE</u></b>					
PROPERTY TAXES	73,960	73,598	75,070	71,147	-5.2%
INTEREST	(162)	75	41	38	-7.3%
<b>Total 900 6TH AVE SE</b>	<b>73,798</b>	<b>73,673</b>	<b>75,111</b>	<b>71,185</b>	<b>-5.2%</b>
<b><u>EAST HENNEPIN &amp; UNIVERSITY</u></b>					
PROPERTY TAXES	1,404,483	1,296,785	1,344,558	1,415,805	5.3%
STATE GOVERNMENT	2,755	3,738			0.0%
INTEREST	20,447	23,241	389	1,136	192.0%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,427,686</b>	<b>1,323,764</b>	<b>1,344,947</b>	<b>1,416,941</b>	<b>5.4%</b>
<b><u>CAMDEN AREA IMPACT</u></b>					
INTEREST	(5)	0			0.0%
<b>Total CAMDEN AREA IMPACT</b>	<b>(5)</b>	<b>0</b>			<b>0.0%</b>
<b><u>IVY TOWER</u></b>					
PROPERTY TAXES	896,132	887,135	905,064	789,184	-12.8%
STATE GOVERNMENT		178			0.0%
CHARGES FOR SERVICES		225			0.0%
INTEREST	(956)	850	463	348	-24.8%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total IVY TOWER</b>	<b>895,175</b>	<b>888,388</b>	<b>905,527</b>	<b>789,532</b>	<b>-12.8%</b>
<b><u>JOURDAIN</u></b>					
PROPERTY TAXES	50,199	49,956	50,956	47,330	-7.1%
INTEREST	(56)	32	22	18	-18.2%
<b>Total JOURDAIN</b>	<b>50,143</b>	<b>49,988</b>	<b>50,978</b>	<b>47,348</b>	<b>-7.1%</b>
<b><u>LOCAL CONTRIBUTION FUND</u></b>					
CHARGES FOR SERVICES	289,657	598,758	163,500		-100.0%
CHARGES FOR SALES		129,928			0.0%
INTEREST	88,281	77,066			0.0%
OTHER MISC REVENUES	349,767	79,268		462,000	100.0%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>727,705</b>	<b>885,021</b>	<b>163,500</b>	<b>462,000</b>	<b>182.6%</b>
<b><u>Lonfellow Station</u></b>					
PROPERTY TAXES				121,812	100.0%
<b>Total Lonfellow Station</b>				<b>121,812</b>	<b>100.0%</b>
<b><u>Lyndale Green</u></b>					
PROPERTY TAXES				4,265	100.0%
<b>Total Lyndale Green</b>				<b>4,265</b>	<b>100.0%</b>
<b><u>LOWRY RIDGE</u></b>					
PROPERTY TAXES	110,242	95,253	100,105	103,014	2.9%
STATE GOVERNMENT	23	164			0.0%
INTEREST	(172)	233	100	103	3.0%
<b>Total LOWRY RIDGE</b>	<b>110,093</b>	<b>95,650</b>	<b>100,205</b>	<b>103,117</b>	<b>2.9%</b>
<b><u>LAKE STREET CENTER</u></b>					
PROPERTY TAXES	2,583,700	971,149	2,340,571	2,367,129	1.1%
STATE GOVERNMENT	12,079	14,068			0.0%
INTEREST	14,882	9,988	1,017	1,014	-0.3%
<b>Total LAKE STREET CENTER</b>	<b>2,610,661</b>	<b>995,205</b>	<b>2,341,588</b>	<b>2,368,143</b>	<b>1.1%</b>
<b><u>MAGNUM LOFTS</u></b>					
PROPERTY TAXES	55,023	54,754	55,849	55,420	-0.8%
INTEREST	347	344	27	25	-7.4%
<b>Total MAGNUM LOFTS</b>	<b>55,370</b>	<b>55,098</b>	<b>55,876</b>	<b>55,445</b>	<b>-0.8%</b>
<b><u>MANY RIVERS</u></b>					
PROPERTY TAXES	68,910	67,555	68,906	69,108	0.3%
INTEREST	(361)	(193)	39	36	-7.7%
<b>Total MANY RIVERS</b>	<b>68,549</b>	<b>67,362</b>	<b>68,945</b>	<b>69,144</b>	<b>0.3%</b>
<b><u>MANY RIVERS WEST</u></b>					
PROPERTY TAXES	45,755	44,656	45,046	42,721	-5.2%
INTEREST	30	71	16	13	-18.8%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total MANY RIVERS WEST</b>	<b>45,785</b>	<b>44,727</b>	<b>45,062</b>	<b>42,734</b>	<b>-5.2%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
PROPERTY TAXES	67,735	67,404	68,752	74,602	8.5%
INTEREST	112	189	40	42	5.0%
<b>Total 1900 CENTRAL AVE HSG</b>	<b>67,847</b>	<b>67,593</b>	<b>68,792</b>	<b>74,644</b>	<b>8.5%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
PROPERTY TAXES	226,500	215,845	222,323	247,321	11.2%
STATE GOVERNMENT	2,115	2,395			0.0%
INTEREST	(1,166)	(208)	170	200	17.6%
<b>Total NICOLLET FRANKLIN</b>	<b>227,449</b>	<b>218,032</b>	<b>222,493</b>	<b>247,521</b>	<b>11.2%</b>
<b><u>NOKOMIS</u></b>					
PROPERTY TAXES				77,625	100.0%
<b>Total NOKOMIS</b>				<b>77,625</b>	<b>100.0%</b>
<b><u>NRP</u></b>					
CHARGES FOR SERVICES		450			0.0%
INTEREST	277,168	358,223			0.0%
OTHER MISC REVENUES	1,051,185	804,660			0.0%
<b>Total NRP</b>	<b>1,328,353</b>	<b>1,163,333</b>			<b>0.0%</b>
<b><u>Coloplast</u></b>					
PROPERTY TAXES	4,774	240,862	245,679	332,134	35.2%
INTEREST	(91)	109	191	280	46.6%
<b>Total Coloplast</b>	<b>4,683</b>	<b>240,971</b>	<b>245,870</b>	<b>332,414</b>	<b>35.2%</b>
<b><u>Consolidated TIF District</u></b>					
PROPERTY TAXES			16,211,450	7,982,220	-50.8%
INTEREST			16,227	1,849	-88.6%
<b>Total Consolidated TIF District</b>			<b>16,227,677</b>	<b>7,984,069</b>	<b>-50.8%</b>
<b><u>NWIP</u></b>					
PROPERTY TAXES	1,395,011	(8,251)			0.0%
STATE GOVERNMENT	885				0.0%
INTEREST	9,308	16,237	14,714		-100.0%
<b>Total NWIP</b>	<b>1,405,204</b>	<b>7,986</b>	<b>14,714</b>		<b>-100.0%</b>
<b><u>HOLMES</u></b>					
PROPERTY TAXES	1,420,435	(112,559)			0.0%
STATE GOVERNMENT	35,892				0.0%
INTEREST	7,454	15,250	14,386		-100.0%
<b>Total HOLMES</b>	<b>1,463,781</b>	<b>(97,309)</b>	<b>14,386</b>		<b>-100.0%</b>
<b><u>NICOLLET ISLAND EAST BANK</u></b>					
PROPERTY TAXES	1,189,587	(3,177)			0.0%
STATE GOVERNMENT	22,065				0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
INTEREST	6,931	13,591	12,182		-100.0%
<b>Total NICOLLET ISLAND EAST BANK</b>	<b>1,218,583</b>	<b>10,414</b>	<b>12,182</b>		<b>-100.0%</b>
<b><u>PORTLAND PLACE</u></b>					
PROPERTY TAXES	89,194	81,915	91,963	100,552	9.3%
STATE GOVERNMENT	7,065	6,670			0.0%
INTEREST	4,268	198	889	973	9.4%
<b>Total PORTLAND PLACE</b>	<b>100,526</b>	<b>88,783</b>	<b>92,852</b>	<b>101,525</b>	<b>9.3%</b>
<b><u>NOKOMIS HOLMES</u></b>					
PROPERTY TAXES	237,076	236,311	293,875		-100.0%
STATE GOVERNMENT	50,427	49,771			0.0%
INTEREST	577	1,123	2,939		-100.0%
<b>Total NOKOMIS HOLMES</b>	<b>288,080</b>	<b>287,205</b>	<b>296,814</b>		<b>-100.0%</b>
<b><u>ELLIOT PARK</u></b>					
INTEREST	(3,436)	(69)			0.0%
<b>Total ELLIOT PARK</b>	<b>(3,436)</b>	<b>(69)</b>			<b>0.0%</b>
<b><u>NICOLLET &amp; LAKE</u></b>					
PROPERTY TAXES	352,009	(21,571)			0.0%
STATE GOVERNMENT	18,262				0.0%
INTEREST	2,215	4,226	3,770		-100.0%
<b>Total NICOLLET &amp; LAKE</b>	<b>372,486</b>	<b>(17,345)</b>	<b>3,770</b>		<b>-100.0%</b>
<b><u>CENTRAL &amp; 20TH</u></b>					
PROPERTY TAXES	105,995	105,476	107,584	123,227	14.5%
INTEREST	(61)	152	1,076	1,232	14.5%
<b>Total CENTRAL &amp; 20TH</b>	<b>105,934</b>	<b>105,628</b>	<b>108,660</b>	<b>124,459</b>	<b>14.5%</b>
<b><u>CENTRAL AVE MARKET</u></b>					
INTEREST	(3)	0			0.0%
<b>Total CENTRAL AVE MARKET</b>	<b>(3)</b>	<b>0</b>			<b>0.0%</b>
<b><u>MILES I</u></b>					
PROPERTY TAXES	137,913	136,039	138,943	138,443	-0.4%
STATE GOVERNMENT	156	180			0.0%
INTEREST	(674)	(449)	1,389	1,384	-0.4%
<b>Total MILES I</b>	<b>137,394</b>	<b>135,770</b>	<b>140,332</b>	<b>139,827</b>	<b>-0.4%</b>
<b><u>NBA ARENA</u></b>					
PROPERTY TAXES	1,009,379	795,601	998,615	971,691	-2.7%
INTEREST	117,805	54,074	29,829	9,717	-67.4%
CONTRIBUTIONS	39,406				0.0%
<b>Total NBA ARENA</b>	<b>1,166,590</b>	<b>849,675</b>	<b>1,028,444</b>	<b>981,408</b>	<b>-4.6%</b>
<b><u>PHILLIPS PARK</u></b>					
PROPERTY TAXES	68,120	62,732	67,396	64,998	-3.6%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
STATE GOVERNMENT	3,093	3,354			0.0%
INTEREST	(995)	(344)	67	65	-3.0%
<b>Total PHILLIPS PARK</b>	<b>70,218</b>	<b>65,742</b>	<b>67,463</b>	<b>65,063</b>	<b>-3.6%</b>
<b><u>LASALLE PLACE</u></b>					
PROPERTY TAXES	2,204,160	2,073,991	2,115,473	2,075,419	-1.9%
INTEREST	9,528	(19,570)	21,155	14,254	-32.6%
<b>Total LASALLE PLACE</b>	<b>2,213,687</b>	<b>2,054,421</b>	<b>2,136,628</b>	<b>2,089,673</b>	<b>-2.2%</b>
<b><u>CAPITAL PROJECTS- OTHER</u></b>					
CHARGES FOR SALES		657,330			0.0%
RENTS	50,000	50,000			0.0%
OTHER MISC REVENUES		68,550		50,000	100.0%
<b>Total CAPITAL PROJECTS- OTHER</b>	<b>50,000</b>	<b>775,880</b>		<b>50,000</b>	<b>100.0%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
STATE GOVERNMENT				21,000	0.0%
CHARGES FOR SERVICES	32,342	6,000			0.0%
CHARGES FOR SALES	22,568	385			0.0%
RENTS	8,400	405		12,600	0.0%
OTHER MISC REVENUES	11,685	40	100,000		-100.0%
<b>Total PRELIMINARY PLANNING</b>	<b>74,996</b>	<b>6,830</b>	<b>100,000</b>	<b>33,600</b>	<b>-66.4%</b>
<b><u>NEIMAN MARCUS</u></b>					
PROPERTY TAXES	1,859,282	1,661,804	1,695,030	1,412,623	-16.7%
INTEREST	(3,449)	5,246	12,713	10,595	-16.7%
<b>Total NEIMAN MARCUS</b>	<b>1,855,832</b>	<b>1,667,050</b>	<b>1,707,743</b>	<b>1,423,218</b>	<b>-16.7%</b>
<b><u>IDS DATA SERVICE CENTER</u></b>					
PROPERTY TAXES	4,019,952	3,648,486	3,721,468	3,069,466	-17.5%
INTEREST	(18,763)	21,202	10,822	4,315	-60.1%
<b>Total IDS DATA SERVICE CENTER</b>	<b>4,001,189</b>	<b>3,669,688</b>	<b>3,732,290</b>	<b>3,073,781</b>	<b>-17.6%</b>
<b><u>BLOCK E</u></b>					
INTEREST	233	(71)			0.0%
<b>Total BLOCK E</b>	<b>233</b>	<b>(71)</b>			<b>0.0%</b>
<b><u>PARK AVENUE EAST</u></b>					
CHARGES FOR SERVICES			62,000		-100.0%
INTEREST	5,130	1,015			0.0%
<b>Total PARK AVENUE EAST</b>	<b>5,130</b>	<b>1,015</b>	<b>62,000</b>		<b>-100.0%</b>
<b><u>36TH AND MARSHALL</u></b>					
INTEREST	2,970	(28)			0.0%
<b>Total 36TH AND MARSHALL</b>	<b>2,970</b>	<b>(28)</b>			<b>0.0%</b>
<b><u>COMMON PROJECT RESERVE</u></b>					
INTEREST	218,545	61,888			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total COMMON PROJECT RESERVE</b>	<b>218,545</b>	<b>61,888</b>			<b>0.0%</b>
<b><u>CAPITAL PROJECTS-ARBITRAGE</u></b>					
INTEREST	70	48			0.0%
<b>Total CAPITAL PROJECTS-ARBITRAGE</b>	<b>70</b>	<b>48</b>			<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
PROPERTY TAXES	70,198	54,625	57,503	57,550	0.1%
STATE GOVERNMENT	1,707	1,756			0.0%
INTEREST	(70)	120	29	25	-13.8%
<b>Total RIPLEY GARDENS</b>	<b>71,835</b>	<b>56,501</b>	<b>57,532</b>	<b>57,575</b>	<b>0.1%</b>
<b><u>CREAMETTE DISTRICT 84</u></b>					
PROPERTY TAXES	140,869	140,179	142,982	163,771	14.5%
INTEREST	(237)	494	143	164	14.7%
<b>Total CREAMETTE DISTRICT 84</b>	<b>140,632</b>	<b>140,674</b>	<b>143,125</b>	<b>163,935</b>	<b>14.5%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
PROPERTY TAXES	86,398	86,998	88,201	87,641	-0.6%
STATE GOVERNMENT	455	516			0.0%
INTEREST	(90)	228	54	52	-3.7%
<b>Total MARSHALL RIVER RUN</b>	<b>86,763</b>	<b>87,742</b>	<b>88,255</b>	<b>87,693</b>	<b>-0.6%</b>
<b><u>ROSACKER NURSERY SITE</u></b>					
PROPERTY TAXES	132,880	141,793	148,158	154,180	4.1%
STATE GOVERNMENT	3,586	3,681			0.0%
INTEREST	3,139	5,240	1,482	1,542	4.0%
<b>Total ROSACKER NURSERY SITE</b>	<b>139,605</b>	<b>150,714</b>	<b>149,640</b>	<b>155,722</b>	<b>4.1%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
PROPERTY TAXES	295,469	270,247	275,653	304,603	10.5%
INTEREST	1,234	1,598	229	257	12.2%
<b>Total STONE ARCH APARTMENTS</b>	<b>296,704</b>	<b>271,844</b>	<b>275,882</b>	<b>304,860</b>	<b>10.5%</b>
<b><u>SPRING &amp; CENTRAL</u></b>					
PROPERTY TAXES	14,988	17,339	17,686	16,287	-7.9%
INTEREST	614	658	27	13	-51.9%
<b>Total SPRING &amp; CENTRAL</b>	<b>15,602</b>	<b>17,997</b>	<b>17,713</b>	<b>16,300</b>	<b>-8.0%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
PROPERTY TAXES	84,012	74,837	76,333	78,395	2.7%
INTEREST	408	455	47	46	-2.1%
<b>Total SHINGLE CREEK COMMONS</b>	<b>84,420</b>	<b>75,292</b>	<b>76,380</b>	<b>78,441</b>	<b>2.7%</b>
<b><u>ST ANTHONY MILLS</u></b>					
PROPERTY TAXES	130,953	87,599	89,351	88,717	-0.7%
INTEREST	(35)	294	55	53	-3.6%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total ST ANTHONY MILLS</b>	<b>130,919</b>	<b>87,893</b>	<b>89,406</b>	<b>88,770</b>	<b>-0.7%</b>
<b><u>STINSON</u></b>					
PROPERTY TAXES	823,364	843,312	860,182	886,849	3.1%
INTEREST	1,932	3,710	789	810	2.7%
<b>Total STINSON</b>	<b>825,296</b>	<b>847,022</b>	<b>860,971</b>	<b>887,659</b>	<b>3.1%</b>
<b><u>SEMI-PHASE 1</u></b>					
PROPERTY TAXES	542,983	493,613	518,277	560,989	8.2%
INTEREST	28,434	26,243	450	490	8.9%
<b>Total SEMI-PHASE 1</b>	<b>571,417</b>	<b>519,856</b>	<b>518,727</b>	<b>561,479</b>	<b>8.2%</b>
<b><u>SEMI-PHASE 2</u></b>					
PROPERTY TAXES	241,533	240,352	245,158	271,900	10.9%
INTEREST	23,079	17,953	199	225	13.1%
<b>Total SEMI-PHASE 2</b>	<b>264,613</b>	<b>258,305</b>	<b>245,357</b>	<b>272,125</b>	<b>10.9%</b>
<b><u>SEMI-PHASE 3</u></b>					
PROPERTY TAXES	115,527	36,197	78,044	69,425	-11.0%
INTEREST	6,397	5,509	48	662	1,279.2%
<b>Total SEMI-PHASE 3</b>	<b>121,924</b>	<b>41,706</b>	<b>78,092</b>	<b>70,087</b>	<b>-10.3%</b>
<b><u>SEMI-PHASE 4</u></b>					
PROPERTY TAXES	211,247	210,215	214,417		-100.0%
INTEREST	(1,274)	648	169		-100.0%
<b>Total SEMI-PHASE 4</b>	<b>209,973</b>	<b>210,862</b>	<b>214,586</b>		<b>-100.0%</b>
<b><u>SEMI-PHASE 5</u></b>					
PROPERTY TAXES	157,300	161,611	164,842	176,939	7.3%
INTEREST	(122)	348	130	136	4.6%
<b>Total SEMI-PHASE 5</b>	<b>157,178</b>	<b>161,959</b>	<b>164,972</b>	<b>177,075</b>	<b>7.3%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
PROPERTY TAXES	1,434,018	1,354,397	1,394,543	1,503,250	7.8%
STATE GOVERNMENT	15,718	16,427			0.0%
INTEREST	13,718	16,799	6,078	7,048	16.0%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>1,463,454</b>	<b>1,387,623</b>	<b>1,400,621</b>	<b>1,510,298</b>	<b>7.8%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
PROPERTY TAXES	221,471	218,482	222,851	236,334	6.1%
INTEREST	2,170	2,108	177	189	6.8%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>223,641</b>	<b>220,590</b>	<b>223,028</b>	<b>236,523</b>	<b>6.1%</b>
<b><u>10TH AND WASHINGTON</u></b>					
PROPERTY TAXES	522,972	467,705	477,057	510,759	7.1%
INTEREST	1,282	2,212	430	454	5.6%
<b>Total 10TH AND WASHINGTON</b>	<b>524,254</b>	<b>469,916</b>	<b>477,487</b>	<b>511,213</b>	<b>7.1%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b><u>UNITED VAN BUS</u></b>					
PROPERTY TAXES	62,586	65,721	65,276	73,283	12.3%
INTEREST	(95)	1,130	653	733	12.3%
<b>Total UNITED VAN BUS</b>	<b>62,491</b>	<b>66,852</b>	<b>65,929</b>	<b>74,016</b>	<b>12.3%</b>
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
PROPERTY TAXES	222,591	201,675	209,459	222,168	6.1%
STATE GOVERNMENT	2,956	3,689			0.0%
INTEREST	194	1,473	157	177	12.7%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>225,742</b>	<b>206,837</b>	<b>209,616</b>	<b>222,345</b>	<b>6.1%</b>
<b><u>URBAN VILLAGE</u></b>					
PROPERTY TAXES	427,352	388,617	420,891	435,849	3.6%
STATE GOVERNMENT	5,107	5,767			0.0%
INTEREST	18,744	14,877	2,201	2,320	5.4%
<b>Total URBAN VILLAGE</b>	<b>451,203</b>	<b>409,261</b>	<b>423,092</b>	<b>438,169</b>	<b>3.6%</b>
<b><u>Van Cleve East</u></b>					
PROPERTY TAXES		33,768	34,443	36,726	6.6%
INTEREST	(70)	(245)	10	12	20.0%
<b>Total Van Cleve East</b>	<b>(70)</b>	<b>33,523</b>	<b>34,453</b>	<b>36,738</b>	<b>6.6%</b>
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					
PROPERTY TAXES	52,403	50,464	56,589	56,708	0.2%
STATE GOVERNMENT	5,337	5,034			0.0%
INTEREST	(58)	129	3	23	666.7%
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>57,682</b>	<b>55,627</b>	<b>56,592</b>	<b>56,731</b>	<b>0.2%</b>
<b><u>VILLAGE IN PHILLIPS PHASE II</u></b>					
INTEREST	(3)	(3)			0.0%
<b>Total VILLAGE IN PHILLIPS PHASE II</b>	<b>(3)</b>	<b>(3)</b>			<b>0.0%</b>
<b><u>Van Cleve Redevelopment</u></b>					
PROPERTY TAXES		1,720	3,232	181,958	5,529.9%
INTEREST	(59)	(243)		157	0.0%
<b>Total Van Cleve Redevelopment</b>	<b>(59)</b>	<b>1,476</b>	<b>3,232</b>	<b>182,115</b>	<b>5,534.7%</b>
<b><u>Van Cleve West</u></b>					
PROPERTY TAXES		6,916	7,037	55,751	692.3%
INTEREST	(78)	(328)		31	0.0%
<b>Total Van Cleve West</b>	<b>(78)</b>	<b>6,587</b>	<b>7,037</b>	<b>55,782</b>	<b>692.7%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
PROPERTY TAXES	41,967	22,359	22,800	19,549	-14.3%
INTEREST	(126)	(2)			0.0%
<b>Total WASHINGTON COURTS APTS</b>	<b>41,841</b>	<b>22,357</b>	<b>22,800</b>	<b>19,549</b>	<b>-14.3%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
PROPERTY TAXES	2,004,600	1,921,451	1,898,337	2,220,404	17.0%
STATE GOVERNMENT	622	778			0.0%
CHARGES FOR SERVICES	75,551				0.0%
INTEREST	71,139	42,092	2,310	7,004	203.2%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>2,151,912</b>	<b>1,964,320</b>	<b>1,900,647</b>	<b>2,227,408</b>	<b>17.2%</b>
<b><u>WEST RIVER COMMONS</u></b>					
PROPERTY TAXES	101,270	97,383	99,545	102,107	2.6%
STATE GOVERNMENT	305	211			0.0%
INTEREST	(261)	134	95	67	-29.5%
<b>Total WEST RIVER COMMONS</b>	<b>101,314</b>	<b>97,729</b>	<b>99,640</b>	<b>102,174</b>	<b>2.5%</b>
<b><u>HSG REPLACE-WATERSHED 0</u></b>					
PROPERTY TAXES	322,199	303,835	359,094	336,484	-6.3%
STATE GOVERNMENT	17,719	19,385			0.0%
INTEREST	15,479	(3,167)	3,484	3,256	-6.5%
<b>Total HSG REPLACE-WATERSHED 0</b>	<b>355,397</b>	<b>320,053</b>	<b>362,578</b>	<b>339,740</b>	<b>-6.3%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
PROPERTY TAXES	100,044	57,479	70,275	53,923	-23.3%
STATE GOVERNMENT	3,642	4,204			0.0%
INTEREST	4,142	(677)	646	491	-24.0%
<b>Total HOUSING REPLACEMENT 2</b>	<b>107,828</b>	<b>61,006</b>	<b>70,921</b>	<b>54,414</b>	<b>-23.3%</b>
<b><u>HSG REPLACE-WATERSHED 3</u></b>					
PROPERTY TAXES				5,000	100.0%
INTEREST	1,787	1,223		45	100.0%
<b>Total HSG REPLACE-WATERSHED 3</b>	<b>1,787</b>	<b>1,223</b>		<b>5,045</b>	<b>100.0%</b>
<b><u>BLOCK 33</u></b>					
PROPERTY TAXES	17,290	17,409	23,106	24,209	4.8%
STATE GOVERNMENT	5,263	5,263			0.0%
INTEREST	214	497	230	242	5.2%
<b>Total BLOCK 33</b>	<b>22,767</b>	<b>23,169</b>	<b>23,336</b>	<b>24,451</b>	<b>4.8%</b>
<b><u>CPED UDAG LEVERAGE INVESTMENT</u></b>					
INTEREST	35,250	25,040			0.0%
OTHER MISC REVENUES	77,270	57,953			0.0%
<b>Total CPED UDAG LEVERAGE INVESTMENT</b>	<b>112,520</b>	<b>82,993</b>			<b>0.0%</b>
<b><u>CPED NEIGHBORHOOD DEVEL ACCT</u></b>					
INTEREST		1,281			0.0%
OTHER MISC REVENUES	448,171	23,888			0.0%
<b>Total CPED NEIGHBORHOOD DEVEL ACCT</b>	<b>448,171</b>	<b>25,169</b>			<b>0.0%</b>
<b><u>CPED OPERATING</u></b>					
SALES AND OTHER TAXES	291	293			0.0%
STATE GOVERNMENT	1,367	1,367			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
CHARGES FOR SERVICES	6,057,036	5,851,545	4,769,000		-100.0%
CHARGES FOR SALES	61,467				0.0%
INTEREST	379,625	86,094			0.0%
RENTS	155,014	163,705			0.0%
OTHER MISC REVENUES	10,722	34,777		5,052,561	100.0%
<b>Total CPED OPERATING</b>	<b>6,665,523</b>	<b>6,137,781</b>	<b>4,769,000</b>	<b>5,052,561</b>	<b>5.9%</b>
<b><u>NRP ADMINISTRATION</u></b>					
CHARGES FOR SERVICES	354,222	232,976			0.0%
INTEREST	(2,119)	(1,205)			0.0%
<b>Total NRP ADMINISTRATION</b>	<b>352,104</b>	<b>231,772</b>			<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT INVEST</u></b>					
INTEREST	28,172	15,127			0.0%
OTHER MISC REVENUES	4,860	1,215			0.0%
<b>Total COMMUNITY DEVELOPMENT INVEST</b>	<b>33,031</b>	<b>16,342</b>			<b>0.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
CHARGES FOR SERVICES		16,712			0.0%
CHARGES FOR SALES	16,990				0.0%
INTEREST	163,742	225,282			0.0%
RENTS			160,000		-100.0%
OTHER MISC REVENUES	284,324	9,976	170,000	150,000	-11.8%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>465,056</b>	<b>251,970</b>	<b>330,000</b>	<b>150,000</b>	<b>-54.5%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
CHARGES FOR SERVICES	1,577,705	1,074,796	1,527,000	124,000	-91.9%
INTEREST	99,896	42,125			0.0%
RENTS	350	(350)			0.0%
OTHER MISC REVENUES	968,683	998,006	3,005,000	4,400,000	46.4%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>2,646,634</b>	<b>2,114,577</b>	<b>4,532,000</b>	<b>4,524,000</b>	<b>-0.2%</b>
<b><u>HOUSING FINANCE</u></b>					
INTEREST	(74)	(80)			0.0%
<b>Total HOUSING FINANCE</b>	<b>(74)</b>	<b>(80)</b>			<b>0.0%</b>
<b><u>HOUSING PROGRAM</u></b>					
CHARGES FOR SERVICES	959,619	968,015		51,000	100.0%
INTEREST	76,982	29,324			0.0%
OTHER MISC REVENUES	79,218	159,896	850,000	550,000	-35.3%
<b>Total HOUSING PROGRAM</b>	<b>1,115,819</b>	<b>1,157,235</b>	<b>850,000</b>	<b>601,000</b>	<b>-29.3%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
LOCAL GOVERNMENT	8,000				0.0%
CHARGES FOR SALES	123,000	212,132			0.0%
INTEREST	(1,312)	(1,526)			0.0%
<b>Total HOME OWNERSHIP WORKS</b>	<b>129,688</b>	<b>210,606</b>			<b>0.0%</b>



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b><u>CPED LEVERAGE INVESTMENT</u></b>					
INTEREST	2,423	1,658			0.0%
<b>Total CPED LEVERAGE INVESTMENT</b>	<b>2,423</b>	<b>1,658</b>			<b>0.0%</b>
<b><u>CPED STATE GRANTS &amp; LOAN</u></b>					
STATE GOVERNMENT	37,124	200			0.0%
LOCAL GOVERNMENT	151,868	3,086			0.0%
INTEREST	22,208	17,887			0.0%
OTHER MISC REVENUES	61,392	29,067			0.0%
<b>Total CPED STATE GRANTS &amp; LOAN</b>	<b>272,592</b>	<b>50,239</b>			<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
OTHER MISC REVENUES	185,976	185,976			0.0%
<b>Total NEIGHBORHOOD HOUSING</b>	<b>185,976</b>	<b>185,976</b>			<b>0.0%</b>
<b><u>NRP NON TI</u></b>					
INTEREST	172,131	298,954			0.0%
<b>Total NRP NON TI</b>	<b>172,131</b>	<b>298,954</b>			<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
CHARGES FOR SERVICES	15,957	24,136	20,000		-100.0%
CHARGES FOR SALES	466,224				0.0%
INTEREST	1,292,726	964,407			0.0%
RENTS	206				0.0%
OTHER MISC REVENUES	562,525	620,772	1,000,000		-100.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>2,337,638</b>	<b>1,609,316</b>	<b>1,020,000</b>		<b>-100.0%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
CHARGES FOR SERVICES	245,111	202,914		250,000	100.0%
INTEREST	54,457	25,602	9,000	9,000	0.0%
OTHER MISC REVENUES	227,619	189,814	480,000	230,000	-52.1%
<b>Total RESIDENTIAL HOUSING</b>	<b>527,187</b>	<b>418,330</b>	<b>489,000</b>	<b>489,000</b>	<b>0.0%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
INTEREST	(2,546)	(539)			0.0%
<b>Total UPPER RIVER LAND BANK</b>	<b>(2,546)</b>	<b>(539)</b>			<b>0.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
PROPERTY TAXES	252,419	269,933	166,600	166,600	0.0%
SALES AND OTHER TAXES	(9)	28			0.0%
STATE GOVERNMENT	6,949	370			0.0%
OTHER MISC REVENUES		6,477			0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>259,359</b>	<b>276,807</b>	<b>166,600</b>	<b>166,600</b>	<b>0.0%</b>
<b><u>Downtown Improvement District</u></b>					
CHARGES FOR SERVICES		1,355			0.0%
SPECIAL ASSESSMENTS	1,199,077	6,406,987	5,800,000	5,800,000	0.0%
INTEREST	(13,966)	(20,464)			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
OTHER MISC REVENUES	1,417,093	198,126			0.0%
<b>Total Downtown Improvement District</b>	<b>2,602,204</b>	<b>6,586,004</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
SALES AND OTHER TAXES	141,806	143,752	140,000	145,000	3.6%
LICENSE AND PERMITS	973,508	904,651	1,025,000	1,040,000	1.5%
FEDERAL GOVERNMENT	7,423				0.0%
CHARGES FOR SERVICES	1,906,937	1,986,080	290,000	415,000	43.1%
CHARGES FOR SALES		1,440			0.0%
FINES AND FORFEITS	584,969	889,133	652,000	535,000	-17.9%
CONTRIBUTIONS	24,239				0.0%
OTHER MISC REVENUES	34,000	12,750	30,000		-100.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>3,672,882</b>	<b>3,937,805</b>	<b>2,137,000</b>	<b>2,135,000</b>	<b>-0.1%</b>
<b><u>ARENA - RESERVE</u></b>					
INTEREST	(9,210)	13,714			0.0%
<b>Total ARENA - RESERVE</b>	<b>(9,210)</b>	<b>13,714</b>			<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
FEDERAL GOVERNMENT	23,528,954	37,828,615	21,568,806	15,812,505	-26.7%
CHARGES FOR SERVICES	307,600				0.0%
CHARGES FOR SALES		650,213			0.0%
INTEREST	9,946	4,990			0.0%
OTHER MISC REVENUES	83,964	17,158			0.0%
<b>Total GRANTS - FEDERAL</b>	<b>23,930,464</b>	<b>38,500,976</b>	<b>21,568,806</b>	<b>15,812,505</b>	<b>-26.7%</b>
<b><u>CPED FEDERAL GRANTS-OTHER</u></b>					
OTHER MISC REVENUES	173	174			0.0%
<b>Total CPED FEDERAL GRANTS-OTHER</b>	<b>173</b>	<b>174</b>			<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
FEDERAL GOVERNMENT	14,984,175	1,285,189	16,144,413	12,774,746	-20.9%
STATE GOVERNMENT					0.0%
CHARGES FOR SERVICES	57,943	27,340			0.0%
CHARGES FOR SALES	60,603	38,819	275,000		-100.0%
SPECIAL ASSESSMENTS	376,329	91,089	500,000	200,000	-60.0%
INTEREST	20,846	53,065			0.0%
RENTS	1	10,785			0.0%
OTHER MISC REVENUES	230,719	208,835	100,000	1,089,032	989.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>15,730,617</b>	<b>1,715,122</b>	<b>17,019,413</b>	<b>14,063,778</b>	<b>-17.4%</b>
<b><u>HOME</u></b>					
FEDERAL GOVERNMENT	1,631,438	3,555,033	3,780,884	2,072,652	-45.2%
CHARGES FOR SALES	753,000	(59,982)			0.0%
INTEREST	13,352	100,486			0.0%
<b>Total HOME</b>	<b>2,397,790</b>	<b>3,595,537</b>	<b>3,780,884</b>	<b>2,072,652</b>	<b>-45.2%</b>
<b><u>GRANTS - OTHER</u></b>					

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
SALES AND OTHER TAXES	61,220	22,557	8,000	10,000	25.0%
LICENSE AND PERMITS	463,909	1,576,731	1,652,024		-100.0%
FEDERAL GOVERNMENT			75,000		-100.0%
STATE GOVERNMENT	11,884,088	18,741,238	7,384,511	6,121,367	-17.1%
LOCAL GOVERNMENT	1,763,389	2,530,454	248,288	295,088	18.8%
CHARGES FOR SERVICES	629,032	719,967	725,650	300,000	-58.7%
FINES AND FORFEITS	176,841	220,420	15,300		-100.0%
SPECIAL ASSESSMENTS	6,349,121	5,233,620	3,098,115		-100.0%
INTEREST	2,847	299			0.0%
CONTRIBUTIONS	1,074,064	1,059,263	795,000	176,052	-77.9%
OTHER MISC REVENUES	33,355	68,397	5,000	2,869	-42.6%
<b>Total GRANTS - OTHER</b>	<b>22,437,865</b>	<b>30,172,946</b>	<b>14,006,888</b>	<b>6,905,376</b>	<b>-50.7%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
SALES AND OTHER TAXES	54,868,226	61,306,954	59,038,997	64,865,392	9.9%
CHARGES FOR SERVICES	4,583,253	4,499,809	5,280,000	5,140,000	-2.7%
INTEREST	835,936	744,242	759,760	459,359	-39.5%
RENTS	6,410,144	6,203,352	6,400,000	6,492,000	1.4%
CONTRIBUTIONS	75,000				0.0%
OTHER MISC REVENUES	2,558,556	2,490,962	2,520,000	2,509,000	-0.4%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>69,331,115</b>	<b>75,245,319</b>	<b>73,998,757</b>	<b>79,465,751</b>	<b>7.4%</b>
<b><u>MERF PENSION BONDS</u></b>					
INTEREST	171,287	117,203			0.0%
<b>Total MERF PENSION BONDS</b>	<b>171,287</b>	<b>117,203</b>			<b>0.0%</b>
<b><u>Regulatory Services Special Revenue Fund</u></b>					
LICENSE AND PERMITS				536,649	100.0%
CHARGES FOR SERVICES				272,024	100.0%
FINES AND FORFEITS				70,400	100.0%
SPECIAL ASSESSMENTS				5,172,629	100.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>6,051,702</b>	<b>100.0%</b>
<b><u>EMPLOYEE RETIREMENT</u></b>					
PROPERTY TAXES	6,971,474	15,310,768	24,720,500	22,060,780	-10.8%
SALES AND OTHER TAXES	(239)	1,582			0.0%
STATE GOVERNMENT	4,530,090	4,743,880			0.0%
FINES AND FORFEITS	330,243				0.0%
OTHER MISC REVENUES	1,769,111	1,433,136			0.0%
<b>Total EMPLOYEE RETIREMENT</b>	<b>13,600,679</b>	<b>21,489,366</b>	<b>24,720,500</b>	<b>22,060,780</b>	<b>-10.8%</b>
<b><u>PARK - GENERAL FUND</u></b>					
PROPERTY TAXES	42,301,777	44,353,447	46,272,466	46,272,466	0.0%
SALES AND OTHER TAXES	(1,461)	4,635	3,000	3,000	0.0%
LICENSE AND PERMITS	183,041	240,661	364,000	385,000	5.8%
FEDERAL GOVERNMENT	267,716	214,077			0.0%
STATE GOVERNMENT	12,066,855	8,071,410	8,629,950	8,373,308	-3.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
LOCAL GOVERNMENT	199,256	1,059,595	400,900	585,420	46.0%
CHARGES FOR SERVICES	947,128	2,097,370	1,578,580	1,219,702	-22.7%
CHARGES FOR SALES	53,192	33,390	60,000	75,000	25.0%
FINES AND FORFEITS	560,131	396,068	559,000	679,000	21.5%
RENTS	578,766	712,063	615,879	625,000	1.5%
CONTRIBUTIONS	236,757	245,162	230,000	150,000	-34.8%
OTHER MISC REVENUES	72,915	282,372	56,000	25,000	-55.4%
LONG TERM LIABILITIES PROCEEDS		20			0.0%
<b>Total PARK - GENERAL FUND</b>	<b>57,466,072</b>	<b>57,710,269</b>	<b>58,769,775</b>	<b>58,392,896</b>	<b>-0.6%</b>
<b><u>PARK - MUSEUM (ART INSTITUTE)</u></b>					
PROPERTY TAXES	12,026,961	12,151,227	11,738,497	10,956,697	-6.7%
SALES AND OTHER TAXES		210			0.0%
STATE GOVERNMENT		2,526			0.0%
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>12,026,961</b>	<b>12,153,963</b>	<b>11,738,497</b>	<b>10,956,697</b>	<b>-6.7%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
STATE GOVERNMENT	1,000		12,000	12,000	0.0%
LOCAL GOVERNMENT	1,112,468	1,381,393	1,125,000	1,325,000	17.8%
CHARGES FOR SERVICES	36,981	40,187			0.0%
CHARGES FOR SALES	2,616				0.0%
FINES AND FORFEITS		202	6,000	6,000	0.0%
SPECIAL ASSESSMENTS		1,250			0.0%
RENTS	143,510	131,609	21,600	21,600	0.0%
CONTRIBUTIONS	234,524	253,548			0.0%
OTHER MISC REVENUES	49,429	93,148	3,000	3,000	0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>1,580,527</b>	<b>1,901,338</b>	<b>1,167,600</b>	<b>1,367,600</b>	<b>17.1%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
CHARGES FOR SALES	2,149,440				0.0%
INTEREST	13,159	7,394			0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>2,162,599</b>	<b>7,394</b>			<b>0.0%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
PROPERTY TAXES		21,233			0.0%
CHARGES FOR SERVICES	125,989	50,743			0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>125,989</b>	<b>71,976</b>			<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
CHARGES FOR SERVICES	(300)				0.0%
LONG TERM LIABILITIES PROCEEDS			1,040,000		-100.0%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>(300)</b>		<b>1,040,000</b>		<b>-100.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
RENTS	86,604	107,102			0.0%
OTHER MISC REVENUES	198	66			0.0%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>86,803</b>	<b>107,168</b>			<b>0.0%</b>

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
PROPERTY TAXES			4,199,300		-100.0%
STATE GOVERNMENT	352,533	145,889	192,755		-100.0%
CHARGES FOR SERVICES	8,268,308	7,997,198	3,640,597	8,224,959	125.9%
CHARGES FOR SALES	1,489		6,000	6,000	0.0%
RENTS	2,415	2,400			0.0%
OTHER MISC REVENUES	136	692			0.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>8,624,880</b>	<b>8,146,179</b>	<b>8,038,652</b>	<b>8,230,959</b>	<b>2.4%</b>
<b><u>JOINT BOARD</u></b>					
CHARGES FOR SERVICES	61,205	41,050			0.0%
INTEREST	750	965			0.0%
<b>Total JOINT BOARD</b>	<b>61,956</b>	<b>42,015</b>			<b>0.0%</b>
<b><u>MEDC</u></b>					
INTEREST	(8)	0			0.0%
<b>Total MEDC</b>	<b>(8)</b>	<b>0</b>			<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
FEDERAL GOVERNMENT	64,803	64,803	64,803		-100.0%
LOCAL GOVERNMENT	841,446	849,235	944,058	1,095,021	16.0%
INTEREST	19,153	13,715			0.0%
RENTS	20,000	12,000			0.0%
CONTRIBUTIONS	(163,756)	298,695	357,000	147,000	-58.8%
OTHER MISC REVENUES	475	88	40,000	18,803	-53.0%
<b>Total YOUTH COORDINATING BOARD</b>	<b>782,121</b>	<b>1,238,535</b>	<b>1,405,861</b>	<b>1,260,824</b>	<b>-10.3%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
STATE GOVERNMENT	1,428,620	1,296,761	1,162,421		-100.0%
CHARGES FOR SERVICES		26,802			0.0%
INTEREST	15,736	7,792			0.0%
OTHER MISC REVENUES	63,318	56,907			0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>1,507,675</b>	<b>1,388,263</b>	<b>1,162,421</b>		<b>-100.0%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
SALES AND OTHER TAXES			439,304	434,749	-1.0%
<b>Total PUBLIC HOUSING AUTHORITY</b>			<b>439,304</b>	<b>434,749</b>	<b>-1.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>332,856,686</b>	<b>327,734,271</b>	<b>324,194,618</b>	<b>303,656,359</b>	<b>-6.3%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>AUG 01 VARIOUS PURPOSE</u></b>					
INTEREST	(263)				0.0%
<b>Total AUG 01 VARIOUS PURPOSE</b>	<b>(263)</b>				<b>0.0%</b>
<b><u>JUNE 02 VARIOUS PURPOSE BONDS</u></b>					

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
INTEREST	(123)				0.0%
<b>Total JUNE 02 VARIOUS PURPOSE BONDS</b>	<b>(123)</b>				<b>0.0%</b>
<b><u>JUNE 03 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	19				0.0%
<b>Total JUNE 03 VARIOUS PURPOSE BONDS</b>	<b>19</b>				<b>0.0%</b>
<b><u>JUNE 04 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	(954)	(441)			0.0%
<b>Total JUNE 04 VARIOUS PURPOSE BONDS</b>	<b>(954)</b>	<b>(441)</b>			<b>0.0%</b>
<b><u>JUNE 05 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	5,140	3,552			0.0%
<b>Total JUNE 05 VARIOUS PURPOSE BONDS</b>	<b>5,140</b>	<b>3,552</b>			<b>0.0%</b>
<b><u>OCT05 VAR PURP REFUNDING BONDS</u></b>					
INTEREST	70	55			0.0%
<b>Total OCT05 VAR PURP REFUNDING BONDS</b>	<b>70</b>	<b>55</b>			<b>0.0%</b>
<b><u>JUNE 06 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	5,463	4,312			0.0%
<b>Total JUNE 06 VARIOUS PURPOSE BONDS</b>	<b>5,463</b>	<b>4,312</b>			<b>0.0%</b>
<b><u>JUNE 07 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	27,980	23,698			0.0%
<b>Total JUNE 07 VARIOUS PURPOSE BONDS</b>	<b>27,980</b>	<b>23,698</b>			<b>0.0%</b>
<b><u>MAY 08 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	86,959	(1,165)			0.0%
<b>Total MAY 08 VARIOUS PURPOSE BONDS</b>	<b>86,959</b>	<b>(1,165)</b>			<b>0.0%</b>
<b><u>May 09 Various Purpose Bonds</u></b>					
INTEREST	207,644	71,110			0.0%
LONG TERM LIABILITIES PROCEEDS	26,985,936				0.0%
<b>Total May 09 Various Purpose Bonds</b>	<b>27,193,580</b>	<b>71,110</b>			<b>0.0%</b>
<b><u>JUNE 10 VARIOUS PURPOSE BONDS</u></b>					
INTEREST		(16,263)			0.0%
LONG TERM LIABILITIES PROCEEDS		20,147,572			0.0%
<b>Total JUNE 10 VARIOUS PURPOSE BONDS</b>		<b>20,131,309</b>			<b>0.0%</b>
<b><u>NOV10 IMPROV BOND ARBITRAGE</u></b>					
INTEREST		2,306			0.0%
LONG TERM LIABILITIES PROCEEDS		6,135,474			0.0%
<b>Total NOV10 IMPROV BOND ARBITRAGE</b>		<b>6,137,780</b>			<b>0.0%</b>
<b><u>NOV04 IMPROV BOND ARBITRAGE</u></b>					
INTEREST	613				0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total NOV04 IMPROV BOND ARBITRAGE</b>	<b>613</b>				<b>0.0%</b>
<b><u>NOV08 IMPROV BOND ARBITRAGE</u></b>					
INTEREST	(8,102)	(2,144)			0.0%
<b>Total NOV08 IMPROV BOND ARBITRAGE</b>	<b>(8,102)</b>	<b>(2,144)</b>			<b>0.0%</b>
<b><u>NOV09 IMPROV BOND ARBITRAGE</u></b>					
INTEREST	12,235	7,571			0.0%
LONG TERM LIABILITIES PROCEEDS	10,356,873				0.0%
<b>Total NOV09 IMPROV BOND ARBITRAGE</b>	<b>10,369,108</b>	<b>7,571</b>			<b>0.0%</b>
<b><u>JUNE 06 LIBRARY REF BONDS</u></b>					
INTEREST	(1,333)				0.0%
<b>Total JUNE 06 LIBRARY REF BONDS</b>	<b>(1,333)</b>				<b>0.0%</b>
<b><u>May 08 Library Ref Bonds</u></b>					
INTEREST	32,985	19,950			0.0%
<b>Total May 08 Library Ref Bonds</b>	<b>32,985</b>	<b>19,950</b>			<b>0.0%</b>
<b><u>JUNE00 VARIOUS PURPOSE BONDS</u></b>					
INTEREST	(435)				0.0%
<b>Total JUNE00 VARIOUS PURPOSE BONDS</b>	<b>(435)</b>				<b>0.0%</b>
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PROPERTY TAXES	1,577,174	215,000	1,862,000		-100.0%
SALES AND OTHER TAXES	(54)				0.0%
LICENSE AND PERMITS	334,445	278,650	260,000	260,000	0.0%
FEDERAL GOVERNMENT	19,792,113	16,093,110	13,815,000	3,300,000	-76.1%
STATE GOVERNMENT	13,205,741	6,757,531	18,670,000	9,023,000	-51.7%
LOCAL GOVERNMENT	(658,213)	522,750	1,325,000	2,407,000	81.7%
CHARGES FOR SERVICES	4,364,575	3,063,368	6,900,000	7,000,000	1.4%
CHARGES FOR SALES	133,675	140,290	300		-100.0%
SPECIAL ASSESSMENTS	1,327,450	1,394,418	9,645,000	8,235,000	-14.6%
OTHER MISC REVENUES	1,654,142	1,214,410	1,000,500	60,500	-94.0%
LONG TERM LIABILITIES PROCEEDS	73,355	(272,573)	11,340,000	26,119,000	130.3%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>41,804,403</b>	<b>29,406,956</b>	<b>64,817,800</b>	<b>56,404,500</b>	<b>-13.0%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
FEDERAL GOVERNMENT	2,114,668				0.0%
STATE GOVERNMENT	2,100	727,172	3,229,000	3,179,000	-1.5%
LOCAL GOVERNMENT	3,003,429	6,363,548	1,450,000	4,610,000	217.9%
CHARGES FOR SERVICES		322,587			0.0%
CHARGES FOR SALES	2,200	200			0.0%
RENTS	100,000				0.0%
CONTRIBUTIONS	1,159,398	341,702			0.0%
OTHER MISC REVENUES	39,538	135,393	4,857,888	6,335,248	30.4%
LONG TERM LIABILITIES PROCEEDS		5,300,000	2,000,000	2,500,000	25.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>6,421,333</b>	<b>13,190,602</b>	<b>11,536,888</b>	<b>16,624,248</b>	<b>44.1%</b>
<b><u>PARK-CAPITAL IMPROVE-ASSESSED</u></b>					
OTHER MISC REVENUES	192,852	110,822			0.0%
LONG TERM LIABILITIES PROCEEDS			500,000	1,000,000	100.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>192,852</b>	<b>110,822</b>	<b>500,000</b>	<b>1,000,000</b>	<b>100.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
CHARGES FOR SERVICES	1,330,761	1,853,286			0.0%
OTHER MISC REVENUES	28,448	3,656			0.0%
LONG TERM LIABILITIES PROCEEDS			985,000	1,106,000	12.3%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>1,359,209</b>	<b>1,856,942</b>	<b>985,000</b>	<b>1,106,000</b>	<b>12.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>87,488,503</b>	<b>70,960,909</b>	<b>77,839,688</b>	<b>75,134,748</b>	<b>-3.5%</b>
 <b><u>DEBT SERVICE</u></b>					
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
SPECIAL ASSESSMENTS	650,718	577,087			0.0%
INTEREST	50,575	6,220			0.0%
LONG TERM LIABILITIES PROCEEDS		2,036,991			0.0%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>701,294</b>	<b>2,620,298</b>			<b>0.0%</b>
<b><u>00 IMPROVEMENT BONDS</u></b>					
SPECIAL ASSESSMENTS	1,135	(269)			0.0%
INTEREST	299	213			0.0%
<b>Total 00 IMPROVEMENT BONDS</b>	<b>1,435</b>	<b>(57)</b>			<b>0.0%</b>
<b><u>96 IMPROVEMENT BONDS</u></b>					
SPECIAL ASSESSMENTS	53,445	47,033			0.0%
INTEREST	(3,911)	(3,811)			0.0%
<b>Total 96 IMPROVEMENT BONDS</b>	<b>49,534</b>	<b>43,222</b>			<b>0.0%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
SPECIAL ASSESSMENTS	173,457	144,293			0.0%
INTEREST	1,412	2,097			0.0%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>174,869</b>	<b>146,390</b>			<b>0.0%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
SPECIAL ASSESSMENTS	17,393	13,234			0.0%
INTEREST	1,425	1,357			0.0%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>18,818</b>	<b>14,591</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	147,826	130,369			0.0%
INTEREST	(13,104)	(10,242)			0.0%



**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>134,722</b>	<b>120,127</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	76,558	75,017			0.0%
INTEREST	(3,225)	(3,477)			0.0%
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>73,333</b>	<b>71,541</b>			<b>0.0%</b>
<b><u>CPED DEBT SERVICE</u></b>					
INTEREST	133,103	4,672			0.0%
<b>Total CPED DEBT SERVICE</b>	<b>133,103</b>	<b>4,672</b>			<b>0.0%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
INTEREST	5,143	797			0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>5,143</b>	<b>797</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	79,623	75,544			0.0%
INTEREST	(3,076)	(2,167)			0.0%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>76,547</b>	<b>73,378</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	113,784	99,357			0.0%
INTEREST	(280)	(692)			0.0%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>113,504</b>	<b>98,665</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/94 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	76,071	77,213			0.0%
INTEREST	1,029	1,609			0.0%
<b>Total BOND REDEM ARBIT 6/94 IMP BOND</b>	<b>77,100</b>	<b>78,822</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/95 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	187,266	169,191			0.0%
INTEREST	(2,286)	613			0.0%
<b>Total BOND REDEM ARBIT 6/95 IMP BOND</b>	<b>184,980</b>	<b>169,804</b>			<b>0.0%</b>
<b><u>NOV10 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS		24,578			0.0%
INTEREST		4			0.0%
<b>Total NOV10 IMPROV BOND D/S</b>		<b>24,582</b>			<b>0.0%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	323,236	342,954			0.0%
INTEREST	(1,765)	(1,519)			0.0%
LONG TERM LIABILITIES PROCEEDS		3,509,364			0.0%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>321,471</b>	<b>3,850,799</b>			<b>0.0%</b>
<b><u>NOV03 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	344,274	348,701			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
INTEREST	(3,261)	(3,028)			0.0%
LONG TERM LIABILITIES PROCEEDS		3,508,213			0.0%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>341,013</b>	<b>3,853,886</b>			<b>0.0%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	905,750	777,744			0.0%
INTEREST	2,477	751			0.0%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>908,227</b>	<b>778,495</b>			<b>0.0%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	716,503	697,522			0.0%
INTEREST	8,863	8,003			0.0%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>725,365</b>	<b>705,525</b>			<b>0.0%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	399,565	382,584			0.0%
INTEREST	5,250	4,714			0.0%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>404,815</b>	<b>387,298</b>			<b>0.0%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	224,656	202,361			0.0%
INTEREST	(8,133)	(9,460)			0.0%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>216,523</b>	<b>192,900</b>			<b>0.0%</b>
<b><u>NOV08 IMPROV BOND D_S</u></b>					
SPECIAL ASSESSMENTS	650,237	747,450			0.0%
INTEREST	1,370	(4,542)			0.0%
<b>Total NOV08 IMPROV BOND D_S</b>	<b>651,607</b>	<b>742,907</b>			<b>0.0%</b>
<b><u>NOV09 IMPROV BOND D/S</u></b>					
SPECIAL ASSESSMENTS	55,290	1,131,437			0.0%
INTEREST	115	6,321			0.0%
OTHER MISC REVENUES	30,563				0.0%
<b>Total NOV09 IMPROV BOND D/S</b>	<b>85,969</b>	<b>1,137,758</b>			<b>0.0%</b>
<b><u>Diseased Tree Assessment D/S</u></b>					
SPECIAL ASSESSMENTS	830,347	685,012			0.0%
INTEREST	13,506	18,881			0.0%
<b>Total Diseased Tree Assessment D/S</b>	<b>843,853</b>	<b>703,893</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/87 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	4,148	3,533			0.0%
INTEREST	22	83			0.0%
<b>Total BOND REDEM ARBIT 6/87 IMP BOND</b>	<b>4,170</b>	<b>3,616</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 9/87 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	4,687	5,271			0.0%
INTEREST	34	96			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total BOND REDEM ARBIT 9/87 IMP BOND</b>	<b>4,721</b>	<b>5,367</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/88 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	5,897	6,084			0.0%
INTEREST	51	133			0.0%
<b>Total BOND REDEM ARBIT 6/88 IMP BOND</b>	<b>5,947</b>	<b>6,217</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/89 IMP BOND</u></b>					
SPECIAL ASSESSMENTS	31,263	6,358			0.0%
INTEREST	(7,435)	(4,842)			0.0%
<b>Total BOND REDEM ARBIT 6/89 IMP BOND</b>	<b>23,828</b>	<b>1,515</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
SPECIAL ASSESSMENTS	1,631,407	12,768			0.0%
INTEREST	41,736	27,768			0.0%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,673,143</b>	<b>40,536</b>			<b>0.0%</b>
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
PROPERTY TAXES	21,452,955	16,116,293	18,130,000	18,500,000	2.0%
SALES AND OTHER TAXES	(745)	1,645			0.0%
STATE GOVERNMENT	591,757	25,068			0.0%
SPECIAL ASSESSMENTS	406	(2,115)			0.0%
INTEREST	268,125	116,771			0.0%
OTHER MISC REVENUES	13,141	45,304			0.0%
LONG TERM LIABILITIES PROCEEDS		14,551,778			0.0%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>22,325,639</b>	<b>30,854,744</b>	<b>18,130,000</b>	<b>18,500,000</b>	<b>2.0%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
CHARGES FOR SERVICES	3,129				0.0%
INTEREST	1,667	(2,134)			0.0%
RENTS	652,082	10,367,182			0.0%
OTHER MISC REVENUES	8,064,157	773,552			0.0%
LONG TERM LIABILITIES PROCEEDS		5,994,609			0.0%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>8,721,035</b>	<b>17,133,209</b>			<b>0.0%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
INTEREST	858	(171)			0.0%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>858</b>	<b>(171)</b>			<b>0.0%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
INTEREST	253,832	265,640			0.0%
OTHER MISC REVENUES	87,194	105,110			0.0%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>341,026</b>	<b>370,750</b>			<b>0.0%</b>
<b><u>Library Ref Debt Service</u></b>					
PROPERTY TAXES	9,253,021	9,162,777	9,114,000		-100.0%
INTEREST	35,545	23,705			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total Library Ref Debt Service</b>	<b>9,288,566</b>	<b>9,186,482</b>	<b>9,114,000</b>		<b>-100.0%</b>
<b><u>CONVENTION CENTER-DEBT SERVICE</u></b>					
INTEREST	8,053	(5,590)			0.0%
RENTS	301,970	301,970			0.0%
LONG TERM LIABILITIES PROCEEDS	21,151,900				0.0%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>21,461,923</b>	<b>296,380</b>			<b>0.0%</b>
<b><u>TARGET CENTER</u></b>					
INTEREST	863	1,044			0.0%
OTHER MISC REVENUES		500			0.0%
LONG TERM LIABILITIES PROCEEDS	57,644,949				0.0%
<b>Total TARGET CENTER</b>	<b>57,645,811</b>	<b>1,544</b>			<b>0.0%</b>
<b><u>BOND REDEMPTION - ASSESSMENT</u></b>					
SPECIAL ASSESSMENTS	693,562	1,039,290			0.0%
INTEREST	68,583	57,852			0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>762,145</b>	<b>1,097,143</b>			<b>0.0%</b>
<b><u>CONCERT HALL - DEBT SERVICE</u></b>					
SPECIAL ASSESSMENTS		436			0.0%
INTEREST	20	19			0.0%
<b>Total CONCERT HALL - DEBT SERVICE</b>	<b>20</b>	<b>456</b>			<b>0.0%</b>
<b><u>TAX INCREMENT - DEBT SERVICE</u></b>					
INTEREST	2,794	(868)			0.0%
OTHER MISC REVENUES	43,037				0.0%
LONG TERM LIABILITIES PROCEEDS	5,483,265	23,682,489			0.0%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>5,529,096</b>	<b>23,681,621</b>			<b>0.0%</b>
<b>TOTAL DEBT SERVICE</b>	<b>134,031,152</b>	<b>98,499,703</b>	<b>27,244,000</b>	<b>18,500,000</b>	<b>-32.1%</b>

**INTERNAL SERVICE**

<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
CHARGES FOR SERVICES	830,165	1,194,104	1,260,678	1,200,000	-4.8%
CHARGES FOR SALES	562,728	370,882	352,000	352,000	0.0%
OTHER MISC REVENUES	373	500			0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>1,393,267</b>	<b>1,565,486</b>	<b>1,612,678</b>	<b>1,552,000</b>	<b>-3.8%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
CHARGES FOR SERVICES	5,608,677	5,594,828	7,446,314	7,345,488	-1.4%
CHARGES FOR SALES	5,203,628	5,721,760	8,271,744	9,218,149	11.4%
GAINS	59,322	169,301	200,000	200,000	0.0%
RENTS	20,780,810	22,378,287	24,789,400	24,254,097	-2.2%
OTHER MISC REVENUES	188,899	255,457	10,000	10,000	0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>31,841,336</b>	<b>34,119,632</b>	<b>40,717,458</b>	<b>41,027,734</b>	<b>0.8%</b>
<b><u>Property Services</u></b>					
FEDERAL GOVERNMENT	106,220				0.0%
CHARGES FOR SERVICES	5,550,560	3,983,103	3,893,283	2,415,600	-38.0%
CHARGES FOR SALES	327,192	284,213	355,000	355,000	0.0%
RENTS	12,669,920	12,427,824	13,547,884	13,351,440	-1.4%
OTHER MISC REVENUES	83,026	141,775	60,970	3,000	-95.1%
<b>Total Property Services</b>	<b>18,736,917</b>	<b>16,836,915</b>	<b>17,857,137</b>	<b>16,125,040</b>	<b>-9.7%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
CHARGES FOR SERVICES	1,074,139	979,814	1,087,000	900,000	-17.2%
CHARGES FOR SALES	45,074	14,976	20,000	10,000	-50.0%
OTHER MISC REVENUES	4,788	545			0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>1,124,001</b>	<b>995,335</b>	<b>1,107,000</b>	<b>910,000</b>	<b>-17.8%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CHARGES FOR SERVICES	32,299,295	31,259,571	27,489,635	28,177,138	2.5%
CHARGES FOR SALES	20,270	15,485	20,000	10,000	-50.0%
GAINS	(99,203)	(77,524)			0.0%
OTHER MISC REVENUES	(62,093)	40			0.0%
LONG TERM LIABILITIES PROCEEDS			1,000,000	1,275,000	27.5%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>32,158,268</b>	<b>31,197,572</b>	<b>28,509,635</b>	<b>29,462,138</b>	<b>3.3%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
CHARGES FOR SERVICES	30,110,087	24,614,797	25,119,031	26,344,930	4.9%
INTEREST		1,380			0.0%
OTHER MISC REVENUES	5,542,629	5,626,956	1,010,000	1,010,000	0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>35,652,716</b>	<b>30,243,134</b>	<b>26,129,031</b>	<b>27,354,930</b>	<b>4.7%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
CHARGES FOR SERVICES	979,931	918,451	898,586	1,099,890	22.4%
CHARGES FOR SALES	65,807	12,252	75,000	20,000	-73.3%
GAINS	96,407	10,847			0.0%
RENTS	3,980,095	3,995,840	4,342,649	4,074,401	-6.2%
OTHER MISC REVENUES	38,810	18,019			0.0%
LONG TERM LIABILITIES PROCEEDS	(57,515)				0.0%
<b>Total PARK - INTERNAL SERVICE</b>	<b>5,103,534</b>	<b>4,955,409</b>	<b>5,316,235</b>	<b>5,194,291</b>	<b>-2.3%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
OTHER MISC REVENUES	2,515,440	2,522,614	2,659,283	2,028,027	-23.7%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>2,515,440</b>	<b>2,522,614</b>	<b>2,659,283</b>	<b>2,028,027</b>	<b>-23.7%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>128,525,478</b>	<b>122,436,096</b>	<b>123,908,457</b>	<b>123,654,160</b>	<b>-0.2%</b>

**ENTERPRISE**

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
<b><u>DEFAULTED PROPERTY ADMIN</u></b>					
INTEREST	(1,272)	686			0.0%
RENTS	312,092	285,623		328,000	100.0%
OTHER MISC REVENUES	29,420,500				0.0%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>29,731,320</b>	<b>286,309</b>		<b>328,000</b>	<b>100.0%</b>
<b><u>FED HOME LN BANK ECON DEVELOP</u></b>					
INTEREST	(1,088)	1,951			0.0%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>(1,088)</b>	<b>1,951</b>			<b>0.0%</b>
<b><u>FHLB HOUSING DEVELOPMENT</u></b>					
INTEREST	2,245	1,536			0.0%
<b>Total FHLB HOUSING DEVELOPMENT</b>	<b>2,245</b>	<b>1,536</b>			<b>0.0%</b>
<b><u>HOUSING OWNERSHIP PROGRAM</u></b>					
INTEREST	5,807	2,416			0.0%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>5,807</b>	<b>2,416</b>			<b>0.0%</b>
<b><u>HOME OWNERSHIP &amp; RENOVATION</u></b>					
INTEREST	54,535	45,488			0.0%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>54,535</b>	<b>45,488</b>			<b>0.0%</b>
<b><u>LOAN &amp; GRANT PROGRAMS</u></b>					
INTEREST	3,738	2,558			0.0%
<b>Total LOAN &amp; GRANT PROGRAMS</b>	<b>3,738</b>	<b>2,558</b>			<b>0.0%</b>
<b><u>RIVER TERMINAL</u></b>					
CHARGES FOR SERVICES	1,809,975	1,825,794			0.0%
INTEREST	(6,474)	(2,993)			0.0%
RENTS	1,000				0.0%
OTHER MISC REVENUES			1,250,000		-100.0%
<b>Total RIVER TERMINAL</b>	<b>1,804,501</b>	<b>1,822,801</b>	<b>1,250,000</b>		<b>-100.0%</b>
<b><u>GARFS</u></b>					
CHARGES FOR SERVICES	269,409	353,884		867,000	100.0%
INTEREST	21,652	13,544			0.0%
OTHER MISC REVENUES	680,042	129,768	300,000	3,500,000	1,066.7%
<b>Total GARFS</b>	<b>971,103</b>	<b>497,196</b>	<b>300,000</b>	<b>4,367,000</b>	<b>1,355.7%</b>
<b><u>THEATRES</u></b>					
INTEREST	(30,663)	(21,005)			0.0%
<b>Total THEATRES</b>	<b>(30,663)</b>	<b>(21,005)</b>			<b>0.0%</b>
<b><u>JUNE 03 SEWER ARBITRAGE</u></b>					
INTEREST	(119)				0.0%
<b>Total JUNE 03 SEWER ARBITRAGE</b>	<b>(119)</b>				<b>0.0%</b>
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
LICENSE AND PERMITS	77,661	157,664			0.0%
CHARGES FOR SERVICES	43,875,716	49,120,249	49,296,031	53,093,372	7.7%
SPECIAL ASSESSMENTS	9,691	83,756			0.0%
OTHER MISC REVENUES					0.0%
LONG TERM LIABILITIES PROCEEDS			5,000,000	6,500,000	30.0%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>43,963,068</b>	<b>49,361,669</b>	<b>54,296,031</b>	<b>59,593,372</b>	<b>9.8%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
STATE GOVERNMENT	730,787	1,147,966	1,022,182	669,614	-34.5%
LOCAL GOVERNMENT	578,165	265,772	441,654	245,517	-44.4%
CHARGES FOR SERVICES	37,472,983	37,330,031	38,312,439	40,669,934	6.2%
CHARGES FOR SALES	1,757	504			0.0%
FINES AND FORFEITS	57,441	35,408	45,000	45,000	0.0%
SPECIAL ASSESSMENTS	497,878	499,380	60,000	60,000	0.0%
OTHER MISC REVENUES	42,350	28,471			0.0%
LONG TERM LIABILITIES PROCEEDS			10,500,000	9,000,000	-14.3%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>39,381,361</b>	<b>39,307,532</b>	<b>50,381,275</b>	<b>50,690,065</b>	<b>0.6%</b>
<b><u>WATER - ENTERPRISE</u></b>					
LICENSE AND PERMITS	1,967	1,076	1,000	1,100	10.0%
FEDERAL GOVERNMENT	1,825,606	1,214,486			0.0%
CHARGES FOR SERVICES	66,764,356	65,606,433	77,309,572	77,333,985	0.0%
CHARGES FOR SALES	7,697	43,188	1,904	25,000	1,213.0%
SPECIAL ASSESSMENTS	766,797	645,996	510	90,000	17,547.1%
INTEREST	(4)				0.0%
OTHER MISC REVENUES	34,408	(234,421)			0.0%
LONG TERM LIABILITIES PROCEEDS	0				0.0%
<b>Total WATER - ENTERPRISE</b>	<b>69,400,827</b>	<b>67,276,758</b>	<b>77,312,986</b>	<b>77,450,085</b>	<b>0.2%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
LICENSE AND PERMITS	288,412	291,569	240,000	240,000	0.0%
CHARGES FOR SERVICES	50,925,562	56,275,075	52,100,500	52,191,878	0.2%
CHARGES FOR SALES	1,204,484	1,670,274	1,550,000	1,670,000	7.7%
SPECIAL ASSESSMENTS	86,381	542,861		543,157	100.0%
RENTS	3,551	2,809	3,500	3,500	0.0%
OTHER MISC REVENUES	12,187	8,155	46,500	46,500	0.0%
LONG TERM LIABILITIES PROCEEDS			1,700,000	1,700,000	0.0%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>52,520,576</b>	<b>58,790,743</b>	<b>55,640,500</b>	<b>56,395,035</b>	<b>1.4%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
LICENSE AND PERMITS	1,134	(1,000)			0.0%
STATE GOVERNMENT		10,350	10,350	8,173	-21.0%
LOCAL GOVERNMENT	861,090	888,467	800,000	800,000	0.0%
CHARGES FOR SERVICES	27,863,403	28,191,295	28,495,049	28,786,914	1.0%
CHARGES FOR SALES	1,095,426	1,444,860	600,000	1,000,000	66.7%
SPECIAL ASSESSMENTS	563,243	369,517			0.0%
RENTS	4,134	575			0.0%

**SCHEDULE TWO**  
**REVENUES BY FUND AND TYPE**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% Change
CONTRIBUTIONS		86			0.0%
OTHER MISC REVENUES	22,911	1,668			0.0%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>30,411,341</b>	<b>30,905,818</b>	<b>29,905,399</b>	<b>30,595,087</b>	<b>2.3%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
LICENSE AND PERMITS		11,924			0.0%
FEDERAL GOVERNMENT		181,697	185,072	128,930	-30.3%
LOCAL GOVERNMENT	11,822	622,784			0.0%
CHARGES FOR SERVICES	11,387,605	12,154,309	12,065,565	12,222,269	1.3%
CHARGES FOR SALES	3,267	4,588	6,000		-100.0%
FINES AND FORFEITS	46,494	2,446			0.0%
INTEREST	51	1			0.0%
GAINS	500				0.0%
RENTS	1,965,608	1,265,192	1,489,574	1,644,400	10.4%
CONTRIBUTIONS	391,141	450,621	240,000	240,000	0.0%
OTHER MISC REVENUES	40,463	73,002	36,000	52,000	44.4%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>13,846,949</b>	<b>14,766,564</b>	<b>14,022,211</b>	<b>14,287,599</b>	<b>1.9%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
INTEREST	911	496			0.0%
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>911</b>	<b>496</b>			<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>282,066,412</b>	<b>263,048,831</b>	<b>283,108,402</b>	<b>293,706,243</b>	<b>3.7%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,326,286,298</b>	<b>950,327,780</b>	<b>1,187,712,189</b>	<b>1,171,574,607</b>	<b>-1.4%</b>



**SCHEDULE TWO  
REVENUES BY TYPE**  
(excludes transfers)

	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>% Change</b>
PROPERTY TAXES	330,710,420	139,512,837	347,142,943	328,009,623	-5.5%
SALES AND OTHER TAXES	55,065,212	61,481,655	59,629,301	65,458,141	9.8%
FRANCHISE FEES	28,053,256	3,280,722	27,810,000	27,500,000	-1.1%
LICENSE AND PERMITS	29,900,228	30,002,769	31,407,191	31,783,660	1.2%
FEDERAL GOVERNMENT	64,436,664	60,460,844	55,633,978	34,088,833	-38.7%
STATE GOVERNMENT	129,841,316	52,936,248	107,453,678	94,389,274	-12.2%
LOCAL GOVERNMENT	8,373,100	15,525,260	7,488,514	11,894,451	58.8%
CHARGES FOR SERVICES	389,056,022	362,094,582	388,644,483	395,964,661	1.9%
CHARGES FOR SALES	12,464,238	11,463,421	11,622,781	12,782,582	10.0%
FINES AND FORFEITS	10,284,757	10,354,004	10,915,587	10,830,814	-0.8%
SPECIAL ASSESSMENTS	22,821,963	25,881,799	21,693,199	22,443,590	3.5%
INTEREST	7,110,984	6,290,251	2,556,380	2,146,863	-16.0%
GAINS	58,636	102,624	200,000	200,000	0.0%
RENTS	52,814,719	63,336,962	54,645,246	54,096,798	-1.0%
CONTRIBUTIONS	3,597,900	3,141,323	2,072,000	1,513,052	-27.0%
OTHER MISC REVENUES	60,059,733	19,868,539	24,731,908	29,272,265	18.4%
LONG TERM LIABILITIES PROCEEDS	121,637,151	84,593,938	34,065,000	49,200,000	44.4%
<b>TOTAL REVENUES BY TYPE, ALL FUNDS</b>	<b>1,326,286,298</b>	<b>950,327,780</b>	<b>1,187,712,189</b>	<b>1,171,574,607</b>	<b>-1.4%</b>

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

<b>AGENCY</b>	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Revised</b>	<b>2012 Council Adopted</b>	<b>% change</b>
<b><u>INVESTMENT POOL</u></b>					
FINANCE DEPARTMENT	(120)				0.0%
<b>Total INVESTMENT POOL</b>	<b>(120)</b>				<b>0.0%</b>
<b><u>GENERAL FIXED ASSETS-CITY</u></b>					
ASSESSOR	832	81			0.0%
FIRE	(4,971,961)	529,782			0.0%
POLICE	(381,892)	(31,903)			0.0%
REGULATORY SERVICES	(325,217)	152,982			0.0%
HEALTH AND FAMILY SUPPORT	934	11,204			0.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	48	357,102			0.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	312,090	3,806,434			0.0%
SURFACE WATER & SEWERS-STORMWATR		700,127			0.0%
PW - FLEET		(141,220)			0.0%
PW - TRAFFIC AND PARKING SERVICES	636,017	6,065,222			0.0%
PW - WATER TREATMENT & DISTR.	(47,675)				0.0%
FINANCE DEPARTMENT	(46,205)	3,157			0.0%
911	152	1,821			0.0%
COMMUNICATIONS	719	7,878			0.0%
EMERGENCY MANAGEMENT	2,048	(3,472)			0.0%
CONVENTION CENTER	(2,763,618)	631,697			0.0%
NON DEPARTMENTAL	2,428	29,139			0.0%
CAPITAL IMPROVEMENTS	(2,709,128)	(18,613,306)			0.0%
MPHA	(32,478,607)				0.0%
MUNICIPAL BUILDING COMMISSION	(1,282,391)	676,549			0.0%
<b>Total GENERAL FIXED ASSETS-CITY</b>	<b>(44,051,425)</b>	<b>(5,816,727)</b>			<b>0.0%</b>
<b><u>Capital Assets - Parks</u></b>					
PARK BOARD	(13,208,183)	1,933,236			0.0%
<b>Total Capital Assets - Parks</b>	<b>(13,208,183)</b>	<b>1,933,236</b>			<b>0.0%</b>
<b>TOTAL AGENCY</b>	<b>(57,259,729)</b>	<b>(3,883,491)</b>			

**GENERAL**

**GENERAL FUND**

ASSESSOR	3,825,980	3,932,902	4,010,376	4,195,608	4.6%
ATTORNEY	7,521,332	7,498,139	7,618,019	7,758,186	1.8%
CITY COUNCIL & CLERK	7,671,209	7,098,049	6,980,730	8,027,770	15.0%
FIRE	52,286,367	53,805,134	50,813,883	52,272,245	2.9%
CIVIL RIGHTS	2,714,743	2,268,591	2,077,692	2,153,000	3.6%
MAYOR	1,499,348	1,493,086	1,457,780	1,548,188	6.2%
POLICE	126,892,261	124,021,246	126,653,000	128,014,884	1.1%
REGULATORY SERVICES	23,486,843	28,286,677	28,670,216	30,257,558	5.5%
INTERNAL AUDIT		212,431	379,769	437,559	15.2%
HEALTH AND FAMILY SUPPORT	4,463,334	3,312,791	3,315,934	2,432,916	-26.6%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,461,024	1,845,992	2,231,967	2,748,884	23.2%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	27,658,335	30,181,181	26,732,760	27,136,162	1.5%
SURFACE WATER & SEWERS-STORMWATR	(145)				0.0%
PW - ADMINISTRATIVE SERVICES	2,571,072	2,586,591	2,744,444	2,781,814	1.4%
PW - SOLID WASTE	75,000				0.0%
PW - TRAFFIC AND PARKING SERVICES	11,483,314	11,909,586	11,889,344	13,416,890	12.8%
HUMAN RESOURCES	6,190,281	5,805,003	5,650,198	5,509,772	-2.5%
FINANCE DEPARTMENT	19,195,217	19,462,123	19,156,296	19,633,000	2.5%
911	7,483,398	7,455,111	7,183,920	7,296,626	1.6%
311	3,200,252	3,092,056	3,014,114	2,961,545	-1.7%
CITY COORDINATOR	1,650,324	1,347,978	1,547,774	1,518,771	-1.9%
INTERGOVERNMENTAL RELATIONS	1,452,725	1,244,380	1,417,082	1,404,712	-0.9%
COMMUNICATIONS	2,484,279	2,382,226	2,303,347	2,160,558	-6.2%
EMERGENCY MANAGEMENT	583,477	712,865	783,352	711,258	-9.2%
NEIGHBORHOOD & COMMUNITY RELATIONS	181,726	1,104,484	618,320	901,508	45.8%
BUSINESS INFORMATION SERVICES				50,000	100.0%
NON DEPARTMENTAL	(246)				0.0%
GENERAL FUND CONTINGENCY	440,920	1,785,621	4,729,000	4,000,195	-15.4%
LIBRARY BOARD	7,749,781	13,493,454	5,853,000	4,982,000	-14.9%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,728,455	3,526,651	3,306,580	3,557,535	7.6%
<b>Total GENERAL FUND</b>	<b>327,950,608</b>	<b>339,864,351</b>	<b>331,138,900</b>	<b>337,869,145</b>	<b>2.0%</b>
<b>TOTAL GENERAL</b>	<b>327,950,608</b>	<b>339,864,351</b>	<b>331,138,900</b>	<b>337,869,145</b>	<b>2.0%</b>

**SPECIAL REVENUE**

**URBAN VILLAGE TE BONDS**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,935				0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>1,935</b>				<b>0.0%</b>

**WEST SIDE MILLING TE BONDS II**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	12,185	15,340			0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>12,185</b>	<b>15,340</b>			<b>0.0%</b>

**TAX INCREMENT ADMINISTRATION**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,311,478	871,150	100,000	100,000	0.0%
<b>Total TAX INCREMENT ADMINISTRATION</b>	<b>2,311,478</b>	<b>871,150</b>	<b>100,000</b>	<b>100,000</b>	<b>0.0%</b>

**Central Ave Lofts**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		89,199	69,506	52,904	-23.9%
<b>Total Central Ave Lofts</b>		<b>89,199</b>	<b>69,506</b>	<b>52,904</b>	<b>-23.9%</b>

**ST ANNE'S HOUSING**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	32,346	36,377	50,274	22,330	-55.6%
<b>Total ST ANNE'S HOUSING</b>	<b>32,346</b>	<b>36,377</b>	<b>50,274</b>	<b>22,330</b>	<b>-55.6%</b>

**ANTIQUES MINNESOTA**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	39,083	38,688	36,688	35,910	-2.1%
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**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total ANTIQUES MINNESOTA</b>	<b>39,083</b>	<b>38,688</b>	<b>36,688</b>	<b>35,910</b>	<b>-2.1%</b>
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,270,364	961,294	964,660	864,002	-10.4%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>1,270,364</b>	<b>961,294</b>	<b>964,660</b>	<b>864,002</b>	<b>-10.4%</b>
<b><u>NINTH &amp; HENNEPIN</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	172,844	150,096	249,665	72,503	-71.0%
<b>Total NINTH &amp; HENNEPIN</b>	<b>172,844</b>	<b>150,096</b>	<b>249,665</b>	<b>72,503</b>	<b>-71.0%</b>
<b><u>CEDAR RIVERSIDE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		0			0.0%
<b>Total CEDAR RIVERSIDE</b>		<b>0</b>			<b>0.0%</b>
<b><u>BOTTINEAU</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	158,011	152,741	153,659	169,049	10.0%
<b>Total BOTTINEAU</b>	<b>158,011</b>	<b>152,741</b>	<b>153,659</b>	<b>169,049</b>	<b>10.0%</b>
<b><u>LAUREL VILLAGE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	112,805	111,627	110,425	109,099	-1.2%
<b>Total LAUREL VILLAGE</b>	<b>112,805</b>	<b>111,627</b>	<b>110,425</b>	<b>109,099</b>	<b>-1.2%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				4,411	100.0%
<b>Total SOUTH NICOLLET MALL</b>				<b>4,411</b>	<b>100.0%</b>
<b><u>CLARE HOUSING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	379	375	400	450	12.5%
<b>Total CLARE HOUSING</b>	<b>379</b>	<b>375</b>	<b>400</b>	<b>450</b>	<b>12.5%</b>
<b><u>2700 EAST LAKE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	96,194	83,521	80,721	73,000	-9.6%
<b>Total 2700 EAST LAKE</b>	<b>96,194</b>	<b>83,521</b>	<b>80,721</b>	<b>73,000</b>	<b>-9.6%</b>
<b><u>EAST PHILLIPS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	30,356	26,647	24,512	21,983	-10.3%
<b>Total EAST PHILLIPS</b>	<b>30,356</b>	<b>26,647</b>	<b>24,512</b>	<b>21,983</b>	<b>-10.3%</b>
<b><u>EAST VILLAGE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	217,440	195,456	194,636	203,670	4.6%
<b>Total EAST VILLAGE</b>	<b>217,440</b>	<b>195,456</b>	<b>194,636</b>	<b>203,670</b>	<b>4.6%</b>
<b><u>50TH &amp; FRANCE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	195,497	190,503	189,641	216,920	14.4%
<b>Total 50TH &amp; FRANCE</b>	<b>195,497</b>	<b>190,503</b>	<b>189,641</b>	<b>216,920</b>	<b>14.4%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	361	42,694	375	38,049	10,046.4%

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(excludes transfers)

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<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>361</b>	<b>42,694</b>	<b>375</b>	<b>38,049</b>	<b>10,046.4%</b>
<b>FORMER FED RESERVE</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	910,462	1,107,459	1,175,191	1,644,606	39.9%
<b>Total FORMER FED RESERVE</b>	<b>910,462</b>	<b>1,107,459</b>	<b>1,175,191</b>	<b>1,644,606</b>	<b>39.9%</b>
<b>GRAIN BELT</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	151,921	151,383	150,200	159,632	6.3%
<b>Total GRAIN BELT</b>	<b>151,921</b>	<b>151,383</b>	<b>150,200</b>	<b>159,632</b>	<b>6.3%</b>
<b>GRACO TI</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	135,977	104,045	102,433	49,177	-52.0%
<b>Total GRACO TI</b>	<b>135,977</b>	<b>104,045</b>	<b>102,433</b>	<b>49,177</b>	<b>-52.0%</b>
<b>GRAIN BELT HOUSING DIST 132</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,100	41,937	78,701	200,331	154.5%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>8,100</b>	<b>41,937</b>	<b>78,701</b>	<b>200,331</b>	<b>154.5%</b>
<b>13TH AND HARMON</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	270,927	251,331	250,998	252,698	0.7%
<b>Total 13TH AND HARMON</b>	<b>270,927</b>	<b>251,331</b>	<b>250,998</b>	<b>252,698</b>	<b>0.7%</b>
<b>PARCEL C TI DISTRICT</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	462,821	425,978	434,443	435,930	0.3%
<b>Total PARCEL C TI DISTRICT</b>	<b>462,821</b>	<b>425,978</b>	<b>434,443</b>	<b>435,930</b>	<b>0.3%</b>
<b>HISTORIC DEPOT REUSE DIST 93</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	20,386	15,866	1,050	3,098	195.0%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>20,386</b>	<b>15,866</b>	<b>1,050</b>	<b>3,098</b>	<b>195.0%</b>
<b>HENNEPIN &amp; 7TH ENTERTAINMENT</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	33,081	17,886	4,662	6,461	38.6%
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>33,081</b>	<b>17,886</b>	<b>4,662</b>	<b>6,461</b>	<b>38.6%</b>
<b>HUMBOLDT GREENWAY DIST 98</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	31,958	45,045	100,068	72,327	-27.7%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>31,958</b>	<b>45,045</b>	<b>100,068</b>	<b>72,327</b>	<b>-27.7%</b>
<b>HIAWATHA COMMONS HOUSING</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	105,486	77,732	75,426	73,772	-2.2%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>105,486</b>	<b>77,732</b>	<b>75,426</b>	<b>73,772</b>	<b>-2.2%</b>
<b>Humboldt Industrial Park</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	139,981	160,205	163,341	148,070	-9.3%
<b>Total Humboldt Industrial Park</b>	<b>139,981</b>	<b>160,205</b>	<b>163,341</b>	<b>148,070</b>	<b>-9.3%</b>
<b>HERITAGE LAND APTS</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	422,237	417,009	416,880	477,604	14.6%

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<b>Total HERITAGE LAND APTS</b>	<b>422,237</b>	<b>417,009</b>	<b>416,880</b>	<b>477,604</b>	<b>14.6%</b>
<b>HERITAGE PARK</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	12,271	6,830	1,075	1,600	48.8%
<b>Total HERITAGE PARK</b>	<b>12,271</b>	<b>6,830</b>	<b>1,075</b>	<b>1,600</b>	<b>48.8%</b>
<b>900 6TH AVE SE</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	74,644	69,901	68,013	64,557	-5.1%
<b>Total 900 6TH AVE SE</b>	<b>74,644</b>	<b>69,901</b>	<b>68,013</b>	<b>64,557</b>	<b>-5.1%</b>
<b>EAST HENNEPIN &amp; UNIVERSITY</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	238,255	180,220	437,673	164,500	-62.4%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>238,255</b>	<b>180,220</b>	<b>437,673</b>	<b>164,500</b>	<b>-62.4%</b>
<b>IVY TOWER</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	524,968	201,869	488,825	385,200	-21.2%
<b>Total IVY TOWER</b>	<b>524,968</b>	<b>201,869</b>	<b>488,825</b>	<b>385,200</b>	<b>-21.2%</b>
<b>JOURDAIN</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	53,130	48,363	46,285	43,072	-6.9%
<b>Total JOURDAIN</b>	<b>53,130</b>	<b>48,363</b>	<b>46,285</b>	<b>43,072</b>	<b>-6.9%</b>
<b>LOCAL CONTRIBUTION FUND</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	275,789	145,827	2,375,000	911,378	-61.6%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>275,789</b>	<b>145,827</b>	<b>2,375,000</b>	<b>911,378</b>	<b>-61.6%</b>
<b>Lonfellow Station</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			56,163	207,304	269.1%
<b>Total Lonfellow Station</b>			<b>56,163</b>	<b>207,304</b>	<b>269.1%</b>
<b>Lyndale Green</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				22,467	100.0%
<b>Total Lyndale Green</b>				<b>22,467</b>	<b>100.0%</b>
<b>LOWRY RIDGE</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	103,993	83,546	90,095	92,713	2.9%
<b>Total LOWRY RIDGE</b>	<b>103,993</b>	<b>83,546</b>	<b>90,095</b>	<b>92,713</b>	<b>2.9%</b>
<b>LAKE STREET CENTER</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,001,136	900,543	2,055,660	2,080,485	1.2%
<b>Total LAKE STREET CENTER</b>	<b>2,001,136</b>	<b>900,543</b>	<b>2,055,660</b>	<b>2,080,485</b>	<b>1.2%</b>
<b>MAGNUM LOFTS</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	32,654	77,500	50,689	50,378	-0.6%
<b>Total MAGNUM LOFTS</b>	<b>32,654</b>	<b>77,500</b>	<b>50,689</b>	<b>50,378</b>	<b>-0.6%</b>
<b>MANY RIVERS</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	73,647	64,408	62,465	62,722	0.4%

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<b>Total MANY RIVERS</b>	<b>73,647</b>	<b>64,408</b>	<b>62,465</b>	<b>62,722</b>	<b>0.4%</b>
<b><u>MANY RIVERS WEST</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	47,122	43,544	40,966	38,949	-4.9%
<b>Total MANY RIVERS WEST</b>	<b>47,122</b>	<b>43,544</b>	<b>40,966</b>	<b>38,949</b>	<b>-4.9%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	69,021	33,926	62,302	67,667	8.6%
<b>Total 1900 CENTRAL AVE HSG</b>	<b>69,021</b>	<b>33,926</b>	<b>62,302</b>	<b>67,667</b>	<b>8.6%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	183,462	200,368	200,816	223,589	11.3%
<b>Total NICOLLET FRANKLIN</b>	<b>183,462</b>	<b>200,368</b>	<b>200,816</b>	<b>223,589</b>	<b>11.3%</b>
<b><u>NOKOMIS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				100,045	100.0%
<b>Total NOKOMIS</b>				<b>100,045</b>	<b>100.0%</b>
<b><u>NRP</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	7,472,537	7,951,462	1,106,012		-100.0%
<b>Total NRP</b>	<b>7,472,537</b>	<b>7,951,462</b>	<b>1,106,012</b>		<b>-100.0%</b>
<b><u>Coloplast</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	11,748	113,504	229,408	301,509	31.4%
<b>Total Coloplast</b>	<b>11,748</b>	<b>113,504</b>	<b>229,408</b>	<b>301,509</b>	<b>31.4%</b>
<b><u>Consolidated TIF District</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			5,493,378	2,751,399	-49.9%
<b>Total Consolidated TIF District</b>			<b>5,493,378</b>	<b>2,751,399</b>	<b>-49.9%</b>
<b><u>PORTLAND PLACE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,533	3,956	575	70,750	12,204.3%
<b>Total PORTLAND PLACE</b>	<b>8,533</b>	<b>3,956</b>	<b>575</b>	<b>70,750</b>	<b>12,204.3%</b>
<b><u>ELLIOT PARK</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	51,608				0.0%
<b>Total ELLIOT PARK</b>	<b>51,608</b>				<b>0.0%</b>
<b><u>NBA ARENA</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	5,223,145	1,126,884			0.0%
<b>Total NBA ARENA</b>	<b>5,223,145</b>	<b>1,126,884</b>			<b>0.0%</b>
<b><u>PHILLIPS PARK</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	89,803	56,459	60,656	58,498	-3.6%
<b>Total PHILLIPS PARK</b>	<b>89,803</b>	<b>56,459</b>	<b>60,656</b>	<b>58,498</b>	<b>-3.6%</b>
<b><u>CAPITAL PROJECTS- OTHER</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,101,420	161,483	75,289	28,168	-62.6%

**SCHEDULE THREE**  
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	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total CAPITAL PROJECTS- OTHER</b>	<b>2,101,420</b>	<b>161,483</b>	<b>75,289</b>	<b>28,168</b>	<b>-62.6%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,384,958	1,160,027	2,743,968	2,399,701	-12.5%
<b>Total PRELIMINARY PLANNING</b>	<b>1,384,958</b>	<b>1,160,027</b>	<b>2,743,968</b>	<b>2,399,701</b>	<b>-12.5%</b>
<b><u>PARK AVENUE EAST</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,322	238,058	11,345		-100.0%
<b>Total PARK AVENUE EAST</b>	<b>2,322</b>	<b>238,058</b>	<b>11,345</b>		<b>-100.0%</b>
<b><u>36TH AND MARSHALL</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	373,827				0.0%
<b>Total 36TH AND MARSHALL</b>	<b>373,827</b>				<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	66,958	52,667	52,153	52,320	0.3%
<b>Total RIPLEY GARDENS</b>	<b>66,958</b>	<b>52,667</b>	<b>52,153</b>	<b>52,320</b>	<b>0.3%</b>
<b><u>CREAMETTE DISTRICT 84</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	122,674	126,472	128,684	147,394	14.5%
<b>Total CREAMETTE DISTRICT 84</b>	<b>122,674</b>	<b>126,472</b>	<b>128,684</b>	<b>147,394</b>	<b>14.5%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	38,629	110,970	79,831	79,427	-0.5%
<b>Total MARSHALL RIVER RUN</b>	<b>38,629</b>	<b>110,970</b>	<b>79,831</b>	<b>79,427</b>	<b>-0.5%</b>
<b><u>ROSACKER NURSERY SITE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				525,000	100.0%
<b>Total ROSACKER NURSERY SITE</b>				<b>525,000</b>	<b>100.0%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	276,249	249,073	248,713	274,918	10.5%
<b>Total STONE ARCH APARTMENTS</b>	<b>276,249</b>	<b>249,073</b>	<b>248,713</b>	<b>274,918</b>	<b>10.5%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	83,941	71,037	69,150	71,081	2.8%
<b>Total SHINGLE CREEK COMMONS</b>	<b>83,941</b>	<b>71,037</b>	<b>69,150</b>	<b>71,081</b>	<b>2.8%</b>
<b><u>ST ANTHONY MILLS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	109,536	102,218	80,891	80,395	-0.6%
<b>Total ST ANTHONY MILLS</b>	<b>109,536</b>	<b>102,218</b>	<b>80,891</b>	<b>80,395</b>	<b>-0.6%</b>
<b><u>STINSON</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	756,238	766,904	775,239	1,090,814	40.7%
<b>Total STINSON</b>	<b>756,238</b>	<b>766,904</b>	<b>775,239</b>	<b>1,090,814</b>	<b>40.7%</b>
<b><u>SEMI-PHASE 1</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	370,318	170,654	546,891	565,633	3.4%



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<b>Total SEMI-PHASE 1</b>	<b>370,318</b>	<b>170,654</b>	<b>546,891</b>	<b>565,633</b>	<b>3.4%</b>
<b><u>SEMI-PHASE 2</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	56,430	130,961	221,217	305,314	38.0%
<b>Total SEMI-PHASE 2</b>	<b>56,430</b>	<b>130,961</b>	<b>221,217</b>	<b>305,314</b>	<b>38.0%</b>
<b><u>SEMI-PHASE 3</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,531	3,739	70,715	525	-99.3%
<b>Total SEMI-PHASE 3</b>	<b>8,531</b>	<b>3,739</b>	<b>70,715</b>	<b>525</b>	<b>-99.3%</b>
<b><u>SEMI-PHASE 4</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	198,105	25,679	193,475	700	-99.6%
<b>Total SEMI-PHASE 4</b>	<b>198,105</b>	<b>25,679</b>	<b>193,475</b>	<b>700</b>	<b>-99.6%</b>
<b><u>SEMI-PHASE 5</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	150,526	150,075	148,883	159,870	7.4%
<b>Total SEMI-PHASE 5</b>	<b>150,526</b>	<b>150,075</b>	<b>148,883</b>	<b>159,870</b>	<b>7.4%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	26,274	19,630	2,450	2,450	0.0%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>26,274</b>	<b>19,630</b>	<b>2,450</b>	<b>2,450</b>	<b>0.0%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	195,908	203,240	201,116	213,401	6.1%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>195,908</b>	<b>203,240</b>	<b>201,116</b>	<b>213,401</b>	<b>6.1%</b>
<b><u>10TH AND WASHINGTON</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	11,505	8,055	725	725	0.0%
<b>Total 10TH AND WASHINGTON</b>	<b>11,505</b>	<b>8,055</b>	<b>725</b>	<b>725</b>	<b>0.0%</b>
<b><u>UNITED VAN BUS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				200,000	100.0%
<b>Total UNITED VAN BUS</b>				<b>200,000</b>	<b>100.0%</b>
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	12,398	6,949	750	750	0.0%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>12,398</b>	<b>6,949</b>	<b>750</b>	<b>750</b>	<b>0.0%</b>
<b><u>URBAN VILLAGE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	14,522	8,844	1,225	406,875	33,114.3%
<b>Total URBAN VILLAGE</b>	<b>14,522</b>	<b>8,844</b>	<b>1,225</b>	<b>406,875</b>	<b>33,114.3%</b>
<b><u>Van Cleve East</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	12,155	34,123	31,399	33,528	6.8%
<b>Total Van Cleve East</b>	<b>12,155</b>	<b>34,123</b>	<b>31,399</b>	<b>33,528</b>	<b>6.8%</b>
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	55,237	48,912	51,430	51,662	0.5%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>55,237</b>	<b>48,912</b>	<b>51,430</b>	<b>51,662</b>	<b>0.5%</b>
<b><u>VILLAGE IN PHILLIPS PHASE II</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			400		-100.0%
<b>Total VILLAGE IN PHILLIPS PHASE II</b>			<b>400</b>		<b>-100.0%</b>
<b><u>Van Cleve Redevelopment</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	9,229	22,183	50,403	205,667	308.0%
<b>Total Van Cleve Redevelopment</b>	<b>9,229</b>	<b>22,183</b>	<b>50,403</b>	<b>205,667</b>	<b>308.0%</b>
<b><u>Van Cleve West</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	14,118	25,609	6,749	50,626	650.1%
<b>Total Van Cleve West</b>	<b>14,118</b>	<b>25,609</b>	<b>6,749</b>	<b>50,626</b>	<b>650.1%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	34,500	31,659	20,925	18,044	-13.8%
<b>Total WASHINGTON COURTS APTS</b>	<b>34,500</b>	<b>31,659</b>	<b>20,925</b>	<b>18,044</b>	<b>-13.8%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	(1,127)	12,912	21,101	11,685	-44.6%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>(1,127)</b>	<b>12,912</b>	<b>21,101</b>	<b>11,685</b>	<b>-44.6%</b>
<b><u>WEST RIVER COMMONS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	99,557	91,581	90,066	92,446	2.6%
<b>Total WEST RIVER COMMONS</b>	<b>99,557</b>	<b>91,581</b>	<b>90,066</b>	<b>92,446</b>	<b>2.6%</b>
<b><u>HSG REPLACE-WATERSHED 0</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,253,784	142,442	89,132	203,522	128.3%
<b>Total HSG REPLACE-WATERSHED 0</b>	<b>1,253,784</b>	<b>142,442</b>	<b>89,132</b>	<b>203,522</b>	<b>128.3%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	340,450	148,095	109,717	72,993	-33.5%
<b>Total HOUSING REPLACEMENT 2</b>	<b>340,450</b>	<b>148,095</b>	<b>109,717</b>	<b>72,993</b>	<b>-33.5%</b>
<b><u>HSG REPLACE-WATERSHED 3</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			102,447	500	-99.5%
<b>Total HSG REPLACE-WATERSHED 3</b>			<b>102,447</b>	<b>500</b>	<b>-99.5%</b>
<b><u>CPED NEIGHBORHOOD DEVEL ACCT</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,133,339	531,010	204,107	202,567	-0.8%
<b>Total CPED NEIGHBORHOOD DEVEL ACCT</b>	<b>1,133,339</b>	<b>531,010</b>	<b>204,107</b>	<b>202,567</b>	<b>-0.8%</b>
<b><u>CPED OPERATING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	7,195,474	7,102,548	6,963,120	6,988,719	0.4%
<b>Total CPED OPERATING</b>	<b>7,195,474</b>	<b>7,102,548</b>	<b>6,963,120</b>	<b>6,988,719</b>	<b>0.4%</b>
<b><u>NRP ADMINISTRATION</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	168,676	197,354	356,040	350,365	-1.6%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total NRP ADMINISTRATION</b>	<b>168,676</b>	<b>197,354</b>	<b>356,040</b>	<b>350,365</b>	<b>-1.6%</b>
<b><u>COMMUNITY DEVELOPMENT INVEST</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	119,544	527,508		2,604	100.0%
<b>Total COMMUNITY DEVELOPMENT INVEST</b>	<b>119,544</b>	<b>527,508</b>		<b>2,604</b>	<b>100.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	719,265	2,019,620	4,821,436	3,571,551	-25.9%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>719,265</b>	<b>2,019,620</b>	<b>4,821,436</b>	<b>3,571,551</b>	<b>-25.9%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	4,143,501	4,143,367	5,887,838	4,012,591	-31.8%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>4,143,501</b>	<b>4,143,367</b>	<b>5,887,838</b>	<b>4,012,591</b>	<b>-31.8%</b>
<b><u>HOUSING PROGRAM</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,501,846	3,372,700	1,977,020	1,139,231	-42.4%
<b>Total HOUSING PROGRAM</b>	<b>1,501,846</b>	<b>3,372,700</b>	<b>1,977,020</b>	<b>1,139,231</b>	<b>-42.4%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	63,332	102,052	800,000	400,000	-50.0%
<b>Total HOME OWNERSHIP WORKS</b>	<b>63,332</b>	<b>102,052</b>	<b>800,000</b>	<b>400,000</b>	<b>-50.0%</b>
<b><u>CPED STATE GRANTS &amp; LOAN</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	206,354	14,597			0.0%
<b>Total CPED STATE GRANTS &amp; LOAN</b>	<b>206,354</b>	<b>14,597</b>			<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		300,000			0.0%
<b>Total NEIGHBORHOOD HOUSING</b>		<b>300,000</b>			<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	4,942,465	6,240,099	1,500,000		-100.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>4,942,465</b>	<b>6,240,099</b>	<b>1,500,000</b>		<b>-100.0%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,507,953	933,891	735,380	516,751	-29.7%
<b>Total RESIDENTIAL HOUSING</b>	<b>1,507,953</b>	<b>933,891</b>	<b>735,380</b>	<b>516,751</b>	<b>-29.7%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,695				0.0%
<b>Total UPPER RIVER LAND BANK</b>	<b>3,695</b>				<b>0.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	290,842	170,701	184,865	175,500	-5.1%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>290,842</b>	<b>170,701</b>	<b>184,865</b>	<b>175,500</b>	<b>-5.1%</b>
<b><u>Downtown Improvement District</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	2,875,816	5,730,071	5,800,000	5,800,000	0.0%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total Downtown Improvement District</b>	<b>2,875,816</b>	<b>5,730,071</b>	<b>5,800,000</b>	<b>5,800,000</b>	<b>0.0%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
POLICE	3,328,287	3,662,274	2,559,367	1,832,368	-28.4%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>3,328,287</b>	<b>3,662,274</b>	<b>2,559,367</b>	<b>1,832,368</b>	<b>-28.4%</b>
<b><u>ARENA - RESERVE</u></b>					
CONVENTION CENTER		1,507,580	8,286,119	7,448,200	-10.1%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		258,026			0.0%
TRANSFERS	78				0.0%
<b>Total ARENA - RESERVE</b>	<b>78</b>	<b>1,765,606</b>	<b>8,286,119</b>	<b>7,448,200</b>	<b>-10.1%</b>
<b><u>GRANTS - FEDERAL</u></b>					
ATTORNEY	348,718	525,305	548,814	280,264	-48.9%
FIRE	483,758	170,095			0.0%
POLICE	5,924,809	3,366,422	4,002,906	4,262,470	6.5%
REGULATORY SERVICES	1,091,577	1,629,861	1,099,501	993,290	-9.7%
HEALTH AND FAMILY SUPPORT	4,641,196	4,250,235	4,579,822	3,803,327	-17.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	1,517				0.0%
FINANCE DEPARTMENT	107,365	402,837	2,265,641	54,103	-97.6%
CITY COORDINATOR	970	10,656			0.0%
EMERGENCY MANAGEMENT	2,040,927	5,581,061	3,500,000	3,124,350	-10.7%
CAPITAL IMPROVEMENTS	2,186,293	3,649,646			0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	7,003,877	19,301,210	5,471,110	3,201,000	-41.5%
<b>Total GRANTS - FEDERAL</b>	<b>23,831,007</b>	<b>38,887,327</b>	<b>21,467,794</b>	<b>15,718,805</b>	<b>-26.8%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
ATTORNEY	32,103	38,185	58,000		-100.0%
FIRE		126,240	584,000		-100.0%
CIVIL RIGHTS	486,001	383,250	365,000	365,000	0.0%
POLICE	6,617	621,019	987,386	884,000	-10.5%
REGULATORY SERVICES	1,344,580	1,770,838	973,000	366,600	-62.3%
HEALTH AND FAMILY SUPPORT	1,122,648	1,415,535	1,124,000	612,000	-45.6%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	59,697	2,236			0.0%
PW - SOLID WASTE		90,739			0.0%
FINANCE DEPARTMENT	223,826	380,697	195,998	196,000	0.0%
CITY COORDINATOR			28,146		-100.0%
INTERGOVERNMENTAL RELATIONS	1,297,301	1,782,988	1,236,370	1,316,397	6.5%
NEIGHBORHOOD & COMMUNITY RELATIONS		198,000	198,000	121,000	-38.9%
NON DEPARTMENTAL	197,401	64,803	244,000		-100.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	10,959,774	20,762,613	10,650,511	10,136,781	-4.8%
YOUTH COORDINATING BOARD				66,000	0.0%
MPHA			178,000		-100.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>15,729,948</b>	<b>27,637,145</b>	<b>16,822,409</b>	<b>14,063,777</b>	<b>-16.4%</b>
<b><u>CPED CDBG</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	668				0.0%
<b>Total CPED CDBG</b>	<b>668</b>				<b>0.0%</b>

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>HOME</b>					
INTERGOVERNMENTAL RELATIONS	30,000	307	15,000	15,000	0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,367,790	3,595,230	3,765,884	2,057,652	-45.4%
<b>Total HOME</b>	<b>2,397,790</b>	<b>3,595,537</b>	<b>3,780,884</b>	<b>2,072,651</b>	<b>-45.2%</b>
<b>GRANTS - OTHER</b>					
ATTORNEY	14,426	118,808	85,088	85,088	0.0%
CITY COUNCIL & CLERK	35,000				0.0%
FIRE	19,187	2,981	10,000	10,000	0.0%
CIVIL RIGHTS		786			0.0%
MAYOR		23,767	75,000		-100.0%
POLICE	1,335,658	725,595	791,811	433,000	-45.3%
REGULATORY SERVICES	3,219,736	7,338,306	5,181,089		-100.0%
HEALTH AND FAMILY SUPPORT	3,725,434	4,842,906	4,344,225	3,868,665	-10.9%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	506				0.0%
HUMAN RESOURCES	18,534	57,990			0.0%
FINANCE DEPARTMENT	31,515	1,284,113	37,524	38,627	2.9%
911	596,227	571,834	562,151	556,000	-1.1%
CITY COORDINATOR		6,000			0.0%
EMERGENCY MANAGEMENT	58,935				0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS		5,030			0.0%
CAPITAL IMPROVEMENTS	1,802				0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,551,267	14,245,847	2,220,000	1,914,000	-13.8%
<b>Total GRANTS - OTHER</b>	<b>17,608,226</b>	<b>29,223,963</b>	<b>13,306,887</b>	<b>6,905,380</b>	<b>-48.1%</b>
<b>CONVENTION CENTER OPERATIONS</b>					
CONVENTION CENTER	34,573,715	39,632,643	40,183,642	41,272,238	2.7%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>34,573,715</b>	<b>39,632,643</b>	<b>40,183,642</b>	<b>41,272,238</b>	<b>2.7%</b>
<b>NCR - SPECIAL REVENUE</b>					
NEIGHBORHOOD & COMMUNITY RELATIONS			5,000,000	5,210,173	4.2%
<b>Total NCR - SPECIAL REVENUE</b>			<b>5,000,000</b>	<b>5,210,173</b>	<b>4.2%</b>
<b>Regulatory Services Special Revenue Fund</b>					
REGULATORY SERVICES				8,451,702	100.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>8,451,702</b>	<b>100.0%</b>
<b>EMPLOYEE RETIREMENT</b>					
MPLS EMPLOYEE RETIREMENT FD	12,005,719	22,171,831	24,720,500	22,060,780	-10.8%
<b>Total EMPLOYEE RETIREMENT</b>	<b>12,005,719</b>	<b>22,171,831</b>	<b>24,720,500</b>	<b>22,060,780</b>	<b>-10.8%</b>
<b>PARK - GENERAL FUND</b>					
PARK BOARD	54,197,704	56,014,955	58,933,179	58,557,896	-0.6%
<b>Total PARK - GENERAL FUND</b>	<b>54,197,704</b>	<b>56,014,955</b>	<b>58,933,179</b>	<b>58,557,896</b>	<b>-0.6%</b>
<b>PARK - MUSEUM (ART INSTITUTE)</b>					
PARK BOARD	12,027,255	12,153,963	11,738,497	10,956,697	-6.7%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>12,027,255</b>	<b>12,153,963</b>	<b>11,738,497</b>	<b>10,956,697</b>	<b>-6.7%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
PARK BD - CAP IMPROV	34,512	82,363	37,000	37,000	0.0%
PARK BOARD	378,202	448,115	30,600	30,600	0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>412,713</b>	<b>530,478</b>	<b>67,600</b>	<b>67,600</b>	<b>0.0%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
PARK BD - CAP IMPROV	4,122,814				0.0%
PARK BOARD	3,411				0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>4,126,225</b>				<b>0.0%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY BOARD	(2,145)				0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>(2,145)</b>				<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
CAPITAL IMPROVEMENTS			1,040,000		-100.0%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>			<b>1,040,000</b>		<b>-100.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
MUNICIPAL BUILDING COMMISSION	19,431	9,264			0.0%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>19,431</b>	<b>9,264</b>			<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	8,583,611	8,140,806	7,787,589	7,974,789	2.4%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>8,583,611</b>	<b>8,140,806</b>	<b>7,787,589</b>	<b>7,974,789</b>	<b>2.4%</b>
<b><u>JOINT BOARD</u></b>					
NON-CPED	11,834	73,971			0.0%
<b>Total JOINT BOARD</b>	<b>11,834</b>	<b>73,971</b>			<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	1,822,788	1,552,738	1,405,861	1,260,824	-10.3%
<b>Total YOUTH COORDINATING BOARD</b>	<b>1,822,788</b>	<b>1,552,738</b>	<b>1,405,861</b>	<b>1,260,824</b>	<b>-10.3%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	1,463,205	1,351,896	1,162,423	0	-100.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>1,463,205</b>	<b>1,351,896</b>	<b>1,162,423</b>	<b>0</b>	<b>-100.0%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
MPHA	4,126,552	22,535,468	439,305	434,749	-1.0%
<b>Total PUBLIC HOUSING AUTHORITY</b>	<b>4,126,552</b>	<b>22,535,468</b>	<b>439,305</b>	<b>434,749</b>	<b>-1.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>253,207,963</b>	<b>321,740,326</b>	<b>272,262,949</b>	<b>248,001,407</b>	<b>-8.9%</b>

**CAPITAL PROJECT**

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>May 09 Various Purpose Bonds</u></b>					
DEBT SERVICE	2,159,838				0.0%
<b>Total May 09 Various Purpose Bonds</b>	<b>2,159,838</b>				<b>0.0%</b>
<b><u>JUNE 10 VARIOUS PURPOSE BONDS</u></b>					
DEBT SERVICE		1,925,611			0.0%
<b>Total JUNE 10 VARIOUS PURPOSE BONDS</b>		<b>1,925,611</b>			<b>0.0%</b>
<b><u>NOV10 IMPROV BOND ARBITRAGE</u></b>					
DEBT SERVICE		62,988			0.0%
<b>Total NOV10 IMPROV BOND ARBITRAGE</b>		<b>62,988</b>			<b>0.0%</b>
<b><u>NOV09 IMPROV BOND ARBITRAGE</u></b>					
DEBT SERVICE	41,603				0.0%
<b>Total NOV09 IMPROV BOND ARBITRAGE</b>	<b>41,603</b>				<b>0.0%</b>
<b><u>May 08 Library Ref Bonds</u></b>					
DEBT SERVICE	2,925,000	3,910,000			0.0%
<b>Total May 08 Library Ref Bonds</b>	<b>2,925,000</b>	<b>3,910,000</b>			<b>0.0%</b>
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	5,826,066	6,197,143	8,079,944	7,200,616	-10.9%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	700,302	706,559	659,846	681,892	3.3%
CAPITAL IMPROVEMENTS	70,805,138	52,123,282	74,372,577	58,184,000	-21.8%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	111,193	436,999	48,479	345,490	612.7%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>77,442,699</b>	<b>59,463,982</b>	<b>83,160,845</b>	<b>66,411,998</b>	<b>-20.1%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
CAPITAL IMPROVEMENTS	6,000				0.0%
PARK BD - CAP IMPROV	8,597,161	18,902,665	11,536,888	16,624,248	44.1%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>8,603,161</b>	<b>18,902,665</b>	<b>11,536,888</b>	<b>16,624,248</b>	<b>44.1%</b>
<b><u>PARK-CAPITAL IMPROVE-ASSESSED</u></b>					
PARK BD - CAP IMPROV	325,590	255,070	500,000	1,000,000	100.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>325,590</b>	<b>255,070</b>	<b>500,000</b>	<b>1,000,000</b>	<b>100.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
CAPITAL IMPROVEMENTS	2,431,669	3,004,173	985,000	1,106,000	12.3%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>2,431,669</b>	<b>3,004,173</b>	<b>985,000</b>	<b>1,106,000</b>	<b>12.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>93,929,561</b>	<b>87,524,489</b>	<b>96,182,733</b>	<b>85,142,246</b>	<b>-11.5%</b>
<b><u>DEBT SERVICE</u></b>					
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
DEBT SERVICE	737,052	5,606,869	194,550	180,050	-7.5%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>737,052</b>	<b>5,606,869</b>	<b>194,550</b>	<b>180,050</b>	<b>-7.5%</b>

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>96 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE	138,775	135,100	131,425	122,750	-6.6%
<b>Total 96 IMPROVEMENT BONDS</b>	<b>138,775</b>	<b>135,100</b>	<b>131,425</b>	<b>122,750</b>	<b>-6.6%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE	45,800	210,625	204,675	193,725	-5.3%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>45,800</b>	<b>210,625</b>	<b>204,675</b>	<b>193,725</b>	<b>-5.3%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE	1,586	1,586	1,586	1,586	0.0%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>1,586</b>	<b>1,586</b>	<b>1,586</b>	<b>1,586</b>	<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
DEBT SERVICE	227,288	274,938			0.0%
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>227,288</b>	<b>274,938</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
DEBT SERVICE	177,150	176,375			0.0%
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>177,150</b>	<b>176,375</b>			<b>0.0%</b>
<b><u>CPED DEBT SERVICE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	36,849,958	13,397,342			0.0%
<b>Total CPED DEBT SERVICE</b>	<b>36,849,958</b>	<b>13,397,342</b>			<b>0.0%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	860,850	874,431			0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>860,850</b>	<b>874,431</b>			<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
DEBT SERVICE	430,780				0.0%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>430,780</b>				<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					
DEBT SERVICE	151,014	147,945	167,250	165,000	-1.3%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>151,014</b>	<b>147,945</b>	<b>167,250</b>	<b>165,000</b>	<b>-1.3%</b>
<b><u>NOV10 IMPROV BOND D/S</u></b>					
DEBT SERVICE		33,860	1,163,164	1,084,250	-6.8%
<b>Total NOV10 IMPROV BOND D/S</b>		<b>33,860</b>	<b>1,163,164</b>	<b>1,084,250</b>	<b>-6.8%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
DEBT SERVICE	472,300	3,589,544	401,400	392,400	-2.2%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>472,300</b>	<b>3,589,544</b>	<b>401,400</b>	<b>392,400</b>	<b>-2.2%</b>
<b><u>NOV03 IMPROV BOND D/S</u></b>					
DEBT SERVICE	589,378	3,555,233	546,250	532,900	-2.4%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>589,378</b>	<b>3,555,233</b>	<b>546,250</b>	<b>532,900</b>	<b>-2.4%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					



**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
DEBT SERVICE	933,725	842,112	821,288	800,463	-2.5%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>933,725</b>	<b>842,112</b>	<b>821,288</b>	<b>800,463</b>	<b>-2.5%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
DEBT SERVICE	508,888	494,288	364,688	354,688	-2.7%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>508,888</b>	<b>494,288</b>	<b>364,688</b>	<b>354,688</b>	<b>-2.7%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
DEBT SERVICE	373,700	364,100	354,500	324,900	-8.3%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>373,700</b>	<b>364,100</b>	<b>354,500</b>	<b>324,900</b>	<b>-8.3%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
DEBT SERVICE	564,225	549,825	535,425	521,025	-2.7%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>564,225</b>	<b>549,825</b>	<b>535,425</b>	<b>521,025</b>	<b>-2.7%</b>
<b><u>NOV08 IMPROV BOND D_S</u></b>					
DEBT SERVICE	1,081,725	1,026,188	1,001,163	976,138	-2.5%
<b>Total NOV08 IMPROV BOND D_S</b>	<b>1,081,725</b>	<b>1,026,188</b>	<b>1,001,163</b>	<b>976,138</b>	<b>-2.5%</b>
<b><u>NOV09 IMPROV BOND D/S</u></b>					
DEBT SERVICE	61,127	1,336,340	1,205,000	1,179,200	-2.1%
<b>Total NOV09 IMPROV BOND D/S</b>	<b>61,127</b>	<b>1,336,340</b>	<b>1,205,000</b>	<b>1,179,200</b>	<b>-2.1%</b>
<b><u>Diseased Tree Assessment D/S</u></b>					
DEBT SERVICE	397,700	375,700	371,000	490,200	32.1%
<b>Total Diseased Tree Assessment D/S</b>	<b>397,700</b>	<b>375,700</b>	<b>371,000</b>	<b>490,200</b>	<b>32.1%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
DEBT SERVICE	1,594,500	1,588,750			0.0%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,594,500</b>	<b>1,588,750</b>			<b>0.0%</b>
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
DEBT SERVICE	26,478,113	31,168,657	10,697,875	12,689,780	18.6%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>26,478,113</b>	<b>31,168,657</b>	<b>10,697,875</b>	<b>12,689,780</b>	<b>18.6%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
DEBT SERVICE	8,800,008	17,587,168	720,698	970,425	34.7%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>8,800,008</b>	<b>17,587,168</b>	<b>720,698</b>	<b>970,425</b>	<b>34.7%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
DEBT SERVICE	284,347	285,927	575,362	581,338	1.0%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>284,347</b>	<b>285,927</b>	<b>575,362</b>	<b>581,338</b>	<b>1.0%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
DEBT SERVICE	6,102,318	5,686,838	5,813,013	53,216,413	815.5%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>6,102,318</b>	<b>5,686,838</b>	<b>5,813,013</b>	<b>53,216,413</b>	<b>815.5%</b>
<b><u>Library Ref Debt Service</u></b>					
DEBT SERVICE	9,366,372	9,639,651	8,932,063	9,169,413	2.7%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total Library Ref Debt Service</b>	<b>9,366,372</b>	<b>9,639,651</b>	<b>8,932,063</b>	<b>9,169,413</b>	<b>2.7%</b>
<b>CONVENTION CENTER-DEBT SERVICE</b>					
DEBT SERVICE	36,630,223	19,326,120	20,744,125	20,075,275	-3.2%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>36,630,223</b>	<b>19,326,120</b>	<b>20,744,125</b>	<b>20,075,275</b>	<b>-3.2%</b>
<b>TARGET CENTER</b>					
DEBT SERVICE	5,466,404	52,177,741	3,686,326	4,955,951	34.4%
<b>Total TARGET CENTER</b>	<b>5,466,404</b>	<b>52,177,741</b>	<b>3,686,326</b>	<b>4,955,951</b>	<b>34.4%</b>
<b>BOND REDEMPTION - ASSESSMENT</b>					
DEBT SERVICE	5,500	3,750			0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>5,500</b>	<b>3,750</b>			<b>0.0%</b>
<b>TAX INCREMENT - DEBT SERVICE</b>					
DEBT SERVICE	20,111,751	39,289,636	12,472,769	12,615,019	1.1%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>20,111,751</b>	<b>39,289,636</b>	<b>12,472,769</b>	<b>12,615,019</b>	<b>1.1%</b>
<b>TOTAL DEBT SERVICE</b>	<b>159,442,554</b>	<b>209,746,636</b>	<b>71,105,595</b>	<b>121,592,889</b>	<b>71.0%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	1,006,563	1,256,903	1,467,747	1,459,970	-0.5%
FINANCE DEPARTMENT	730				0.0%
CAPITAL IMPROVEMENTS		(347)			0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>1,007,293</b>	<b>1,256,556</b>	<b>1,467,747</b>	<b>1,459,970</b>	<b>-0.5%</b>

**EQUIPMENT - INTERNAL SERVICE**

PW - FLEET	31,305,904	31,150,814	40,385,618	43,653,821	8.1%
CAPITAL IMPROVEMENTS	138,195	1,004,671			0.0%
DEBT SERVICE	1,311,648	1,500,119	2,995,650	3,009,750	0.5%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>32,755,747</b>	<b>33,655,603</b>	<b>43,381,268</b>	<b>46,663,571</b>	<b>7.6%</b>

**Property Services**

PW - PROPERTY SERVICES	998,379	1,063,901	959,892		-100.0%
FINANCE DEPARTMENT	18,417,506	17,107,010	16,930,806	16,070,794	-5.1%
CAPITAL IMPROVEMENTS		31,229			0.0%
DEBT SERVICE	286,912	182,745	880,100	864,250	-1.8%
<b>Total Property Services</b>	<b>19,702,797</b>	<b>18,384,884</b>	<b>18,770,798</b>	<b>16,935,044</b>	<b>-9.8%</b>

**STORES - INTERNAL SERVICE**

PW - TRAFFIC AND PARKING SERVICES	(37,858)	207,013	332,244	375,311	13.0%
FINANCE DEPARTMENT	809,765	734,991	685,380	682,619	-0.4%
<b>Total STORES - INTERNAL SERVICE</b>	<b>771,907</b>	<b>942,004</b>	<b>1,017,624</b>	<b>1,057,930</b>	<b>4.0%</b>

**INFO TECH - INTERNAL SERVICE**

CITY COUNCIL & CLERK	1,157,035	1,375,386	1,133,494	1,302,909	14.9%
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**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
HUMAN RESOURCES	145,197	152,967	256,217	260,606	1.7%
BUSINESS INFORMATION SERVICES	35,155,723	37,452,691	25,930,548	26,673,954	2.9%
CAPITAL IMPROVEMENTS	1,201,684	(39,475)	1,000,000	1,275,000	27.5%
DEBT SERVICE	1,526,299	880,504	9,703,200	9,603,900	-1.0%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>39,185,938</b>	<b>39,822,072</b>	<b>38,023,458</b>	<b>39,116,369</b>	<b>2.9%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	5,568,793	5,487,622	6,101,145	6,052,082	-0.8%
HUMAN RESOURCES	1,141,576	1,294,378	1,380,161	1,369,189	-0.8%
FINANCE DEPARTMENT	2,840,521	2,458,762	2,420,420	2,465,503	1.9%
HEALTH AND WELFARE	9,924,021	5,315,571	2,163,636	2,361,429	9.1%
WORKERS COMPENSATION	10,820,489	9,555,213	6,064,867	6,616,707	9.1%
LIABILITY	12,066,971	7,956,796	6,450,102	7,514,955	16.5%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>42,362,370</b>	<b>32,068,341</b>	<b>24,580,331</b>	<b>26,379,865</b>	<b>7.3%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
PARK BOARD	3,424,439	5,351,811	5,316,235	5,236,248	-1.5%
<b>Total PARK - INTERNAL SERVICE</b>	<b>3,424,439</b>	<b>5,351,811</b>	<b>5,316,235</b>	<b>5,236,248</b>	<b>-1.5%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
PARK BOARD	1,935,977	1,752,760	2,659,283	2,028,027	-23.7%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>1,935,977</b>	<b>1,752,760</b>	<b>2,659,283</b>	<b>2,028,027</b>	<b>-23.7%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>141,146,468</b>	<b>133,234,030</b>	<b>135,216,745</b>	<b>138,877,024</b>	<b>2.7%</b>
<b><u>ENTERPRISE</u></b>					
<b><u>DEFAULTED PROPERTY ADMIN</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	23,260	49,211	86,328	69,222	-19.8%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>23,260</b>	<b>49,211</b>	<b>86,328</b>	<b>69,222</b>	<b>-19.8%</b>
<b><u>FED HOME LN BANK ECON DEVELOP</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,027,319	33,332	75,000	75,000	0.0%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>1,027,319</b>	<b>33,332</b>	<b>75,000</b>	<b>75,000</b>	<b>0.0%</b>
<b><u>HOUSING OWNERSHIP PROGRAM</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	91,734	18,183	110,000		-100.0%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>91,734</b>	<b>18,183</b>	<b>110,000</b>		<b>-100.0%</b>
<b><u>HOME OWNERSHIP &amp; RENOVATION</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	92,042	176,911	300,000		-100.0%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>92,042</b>	<b>176,911</b>	<b>300,000</b>		<b>-100.0%</b>
<b><u>RIVER TERMINAL</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,932,593	1,981,048	1,721,067	1,514,125	-12.0%
<b>Total RIVER TERMINAL</b>	<b>1,932,593</b>	<b>1,981,048</b>	<b>1,721,067</b>	<b>1,514,125</b>	<b>-12.0%</b>

**GARFS**

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	285,468	276,357	307,537	2,882,419	837.3%
<b>Total GARFS</b>	<b>285,468</b>	<b>276,357</b>	<b>307,537</b>	<b>2,882,419</b>	<b>837.3%</b>
<b><u>THEATRES</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	5,831				0.0%
<b>Total THEATRES</b>	<b>5,831</b>				<b>0.0%</b>
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					
SURFACE WATER & SEWERS-STORMWATR	(3,554)				0.0%
SURFACE WATER & SEWERS-SANITARY	38,448,883	42,481,278	42,297,322	44,260,603	4.6%
CAPITAL IMPROVEMENTS	1,101,978	23,239	5,000,000	6,500,000	30.0%
DEBT SERVICE	479,321	547,042	5,196,210	5,217,000	0.4%
MPHA		(1,148,948)			0.0%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>40,026,628</b>	<b>41,902,611</b>	<b>52,493,532</b>	<b>55,977,603</b>	<b>6.6%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	7,273,428	7,023,442	8,040,487	8,056,162	0.2%
SURFACE WATER & SEWERS-STORMWATR	13,508,926	18,327,702	13,699,052	15,467,606	12.9%
CAPITAL IMPROVEMENTS	1,553,381	2,344,512	17,270,000	14,850,000	-14.0%
DEBT SERVICE	1,695,534	862,914	10,913,658	7,400,459	-32.2%
MPHA	825,007	(348,281)			0.0%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>24,856,276</b>	<b>28,210,289</b>	<b>49,923,197</b>	<b>45,774,227</b>	<b>-8.3%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	135				0.0%
PW - WATER TREATMENT & DISTR.	54,001,712	55,729,170	48,377,390	51,105,497	5.6%
CAPITAL IMPROVEMENTS	760,842	115,596	9,000,000	11,510,000	27.9%
DEBT SERVICE	3,655,735	3,423,892	10,266,583	10,226,083	-0.4%
<b>Total WATER - ENTERPRISE</b>	<b>58,418,425</b>	<b>59,268,657</b>	<b>67,643,973</b>	<b>72,841,580</b>	<b>7.7%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	40,452,410	49,857,978	42,553,804	42,563,727	0.0%
CAPITAL IMPROVEMENTS	3,689,485		1,700,000	1,700,000	0.0%
DEBT SERVICE	8,995,771	6,060,416	22,111,853	22,874,605	3.4%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>53,137,666</b>	<b>55,918,394</b>	<b>66,365,657</b>	<b>67,138,332</b>	<b>1.2%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	27,870,271	30,246,079	33,758,273	32,880,051	-2.6%
CAPITAL IMPROVEMENTS		72,261			0.0%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>27,870,271</b>	<b>30,318,340</b>	<b>33,758,273</b>	<b>32,880,051</b>	<b>-2.6%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
PARK BOARD	11,995,900	13,719,145	13,477,211	13,992,599	3.8%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>11,995,900</b>	<b>13,719,145</b>	<b>13,477,211</b>	<b>13,992,599</b>	<b>3.8%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
LIBRARY BOARD	50				0.0%

**SCHEDULE THREE**  
**EXPENSES BY FUND AND DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>50</b>				<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>219,763,464</b>	<b>231,872,479</b>	<b>286,261,774</b>	<b>293,145,157</b>	<b>2.4%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,138,180,888</b>	<b>1,320,098,820</b>	<b>1,192,168,696</b>	<b>1,224,627,868</b>	<b>2.7%</b>

**SCHEDULE THREE**  
**EXPENSES BY DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
ASSESSOR	3,826,812	3,932,983	4,010,376	4,195,608	4.6%
ATTORNEY	13,485,372	13,668,060	14,411,065	14,175,621	-1.6%
CITY COUNCIL & CLERK	8,863,244	8,473,434	8,114,224	9,330,679	15.0%
FIRE	47,817,352	54,634,231	51,407,883	52,282,245	1.7%
CIVIL RIGHTS	3,200,744	2,652,627	2,442,692	2,517,999	3.1%
NON-CPED	11,834	73,971			0.0%
MAYOR	1,499,348	1,516,853	1,532,780	1,548,188	1.0%
POLICE	137,105,739	132,364,654	134,994,470	135,426,721	0.3%
REGULATORY SERVICES	28,817,520	39,178,665	35,923,806	40,069,149	11.5%
INTERNAL AUDIT		212,431	379,769	437,559	15.2%
HEALTH AND FAMILY SUPPORT	13,953,545	13,832,671	13,363,981	10,716,908	-19.8%
PW - TRANSPORTATION PLANNING AND ENGINEERING	8,293,835	9,657,139	11,779,658	11,409,470	-3.1%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	38,881,691	47,449,923	41,233,093	41,674,216	1.1%
SURFACE WATER & SEWERS-STORMWATR	13,505,227	19,027,828	13,699,052	15,467,606	12.9%
SURFACE WATER & SEWERS-SANITARY	38,448,883	42,481,278	42,297,322	44,260,603	4.6%
PW - ADMINISTRATIVE SERVICES	2,571,072	2,586,591	2,744,444	2,781,814	1.4%
PW - SOLID WASTE	27,945,271	30,336,818	33,758,273	32,880,051	-2.6%
PW - FLEET	31,305,904	31,009,593	40,385,618	43,653,821	8.1%
PW - PROPERTY SERVICES	998,379	1,063,901	959,892		-100.0%
PW - TRAFFIC AND PARKING SERVICES	52,533,884	68,039,800	54,775,392	56,355,928	2.9%
PW - WATER TREATMENT & DISTR.	53,954,037	55,729,170	48,377,390	51,105,497	5.6%
HUMAN RESOURCES	7,495,587	7,310,338	7,286,576	7,139,567	-2.0%
FINANCE DEPARTMENT	41,580,119	41,833,689	41,692,065	39,140,646	-6.1%
911	8,079,776	8,028,766	7,746,071	7,852,626	1.4%
311	3,200,252	3,092,056	3,014,114	2,961,545	-1.7%
CITY COORDINATOR	1,651,293	1,364,634	1,575,920	1,518,771	-3.6%
INTERGOVERNMENTAL RELATIONS	2,780,026	3,027,676	2,668,453	2,736,108	2.5%
COMMUNICATIONS	2,484,999	2,390,104	2,303,347	2,160,558	-6.2%
EMERGENCY MANAGEMENT	2,685,387	6,290,454	4,283,352	3,835,608	-10.5%
NEIGHBORHOOD & COMMUNITY RELATIONS	181,726	1,307,514	5,816,319	6,232,681	7.2%
CONVENTION CENTER	31,810,097	41,771,919	48,469,761	48,720,438	0.5%
BUSINESS INFORMATION SERVICES	35,155,723	37,452,691	25,930,548	26,723,954	3.1%
NON DEPARTMENTAL	199,584	93,942	244,000		-100.0%
HEALTH AND WELFARE	9,924,021	5,315,571	2,163,636	2,361,429	9.1%
WORKERS COMPENSATION	10,820,489	9,555,213	6,064,867	6,616,707	9.1%
LIABILITY	12,066,971	7,956,796	6,450,102	7,514,955	16.5%
GENERAL FUND CONTINGENCY	440,920	1,785,621	4,729,000	4,000,195	-15.4%
MPLS EMPLOYEE RETIREMT FD	12,005,719	22,171,831	24,720,500	22,060,780	-10.8%
LIBRARY BOARD	7,747,686	13,493,454	5,853,000	4,982,000	-14.9%
CAPITAL IMPROVEMENTS	81,167,340	43,715,479	110,367,577	95,125,000	-13.8%
PARK BD - CAP IMPROV	13,080,077	19,240,098	12,073,888	17,661,248	46.3%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	127,668,776	125,833,079	75,638,524	63,490,503	-16.1%
DEBT SERVICE	144,809,408	214,831,094	133,172,849	180,788,936	35.8%
TRANSFERS	78				0.0%
PARK BOARD	70,754,704	91,373,983	92,155,005	90,802,067	-1.5%
YOUTH COORDINATING BOARD	1,822,788	1,552,738	1,405,861	1,326,824	-5.6%
MPHA	(27,527,048)	21,038,239	617,305	434,749	-29.6%
BOARD OF ESTIMATE & TAXATION	290,842	170,701	184,865	175,500	-5.1%
MUNICIPAL BUILDING COMMISSION	7,320,651	8,826,618	7,787,589	7,974,789	2.4%

**SCHEDULE THREE**  
**EXPENSES BY DEPARTMENT**  
(excludes transfers)

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
NEIGH REVITALIZATN POL BD	1,463,205	1,351,896	1,162,423	0	-100.0%
<b>TOTAL EXPENSES BY DEPARTMENT, ALL FUNDS</b>	<b>1,138,180,888</b>	<b>1,320,098,820</b>	<b>1,192,168,696</b>	<b>1,224,627,868</b>	<b>2.7%</b>

**City of Minneapolis  
2012 Budget  
Community Development Block Grant (CDBG)**

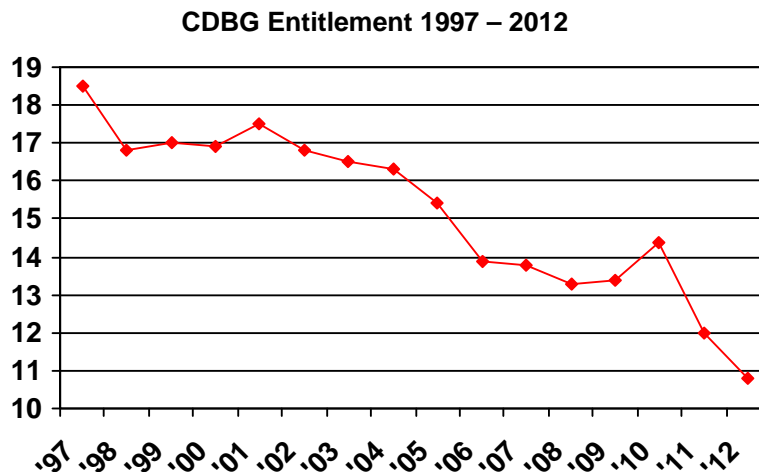
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**Background**

This fund is used to account for the Federal grants received under the Community Development Block Grant (CDBG) provision authorized by Title I of the Housing and Community Development Act of 1974. Included in this entitlement are the CDBG, HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Based on the City's Consolidated Plan submitted to the U.S. Department of Housing and Urban Development (HUD), annual direct grants can be used by the City of Minneapolis to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low-and moderate-income persons.

**Historical Financial Performance**

The Consolidated Plan funds are budgeted to coincide with the City's annual calendar year budgeting process, although the funds are not available until June 1 of each year. The programs are managed on a cost reimbursement basis and therefore the CDBG fund balance amount at any given time is the result of timing differences between entitlement grant revenue receipts and grant expenditure disbursements. The graph below reflects the trend in CDBG funding for the past 15 years. After several years of declining funding levels, 2009 and 2010 were the first years the actual funding had exceeded the anticipated funding by approximately 2%. In 2011, the City anticipated the funding to remain level with the 2010 actual funding of \$14.4 million however the actual 2011 allocation received was \$12 million reflecting a 16% reduction. The 2012 funding is estimated at \$10.8 million reflecting a 10% reduction from the 2011.



**2012 Budget**

*Revenues*

The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress.

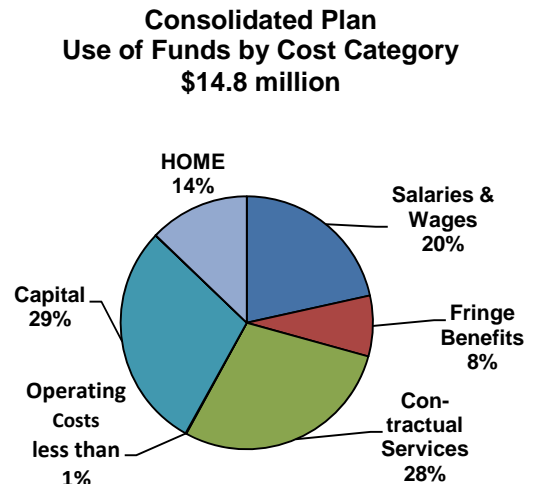
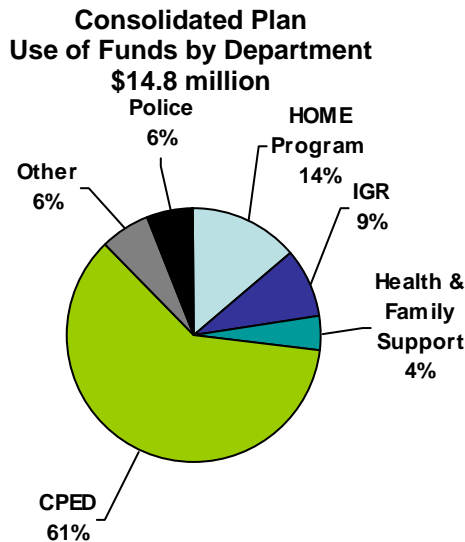
In 2012, the HOME program is anticipated to decrease while ESG has been budgeted to reflect an increase. The HOPWA program is projected to remain approximately level with the 2011



funding. Final award numbers from Congress should be available in early 2012. The HUD appropriation formula, which changed in 2002, includes variable factors based on 2010 American Community Survey (ACS) and the 2010 Census information. The Census information includes population changes among all the cities within the total HUD appropriation.

*Expenditures*

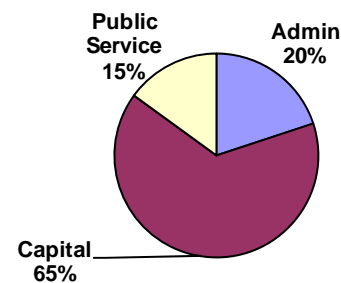
The City distributes its entitlement funds received through the HUD Consolidated Plan to various departments to carry out program activities, and awards funds to private and public not-for-profit organizations. The graphs below reflect the distribution of the budgeted Consolidated Plan by department and by cost category.



*CDBG Allocations*

The graph to the right shows the distribution of the CDBG allocation in 2012. The public service and administration categories have a 15% and a 20% cap, respectively. In 2012, the funds were allocated to the maximum for both of these categories. There is no funding available for the Public Health Advisory Committee.

**Use CDBG  
of Funds  
\$10.8 million**



*Debt Service*

The CDBG entitlement is obligated over and above the current grant budgets by \$4.8 million. This amount reflects what the City borrowed against its entitlement to fund the Block E economic development project. As program revenues exceed the budget expenditures, these funds will be incrementally applied to the over-obligation (which was originally \$7.4 million).

**Council Adopted Budget**

The Mayor's CDBG recommendations were not part of the 2012 Mayor Recommended budget. In October, when better information was available, the Mayor made recommendations. The Council modified the Mayor's recommendations to continue funding for the Domestic Abuse Project for \$60,000, Problem Properties for \$104,600 and Neighborhood Services for \$72,000. An additional \$164,601 was given to support the Multi Family Affordable Housing Program.

**SCHEDULE FOUR**  
**Year 38 (2012) - Community Development Block Grant**

Organization	Project	2010 Consolidated Plan	2011 Consolidated Plan	2012 Council Adopted
<b>Capital /Other---CDBG</b>				
Community Planning & Economic Development	Adult Training, Placement and Retention	982,000	1,113,430	1,480,000
	High Density Corridor Initiative	730,000	583,669	583,669
	Homeownership Program (GMMHC)	334,000	27,185	-
	Multi-Family/Affordable Housing	4,011,189	2,727,403	2,991,876
	NEDF/CEDF (Great Streets)	1,500,000	901,088	41,000
	Commercial Property Investment			139,000
	Non-Profit Development Assistance-Affordable Housing	166,000	132,725	-
	Vacant and Boarded Building Program	782,000	1,424,791	1,599,056
<b>Subtotal CPED capital</b>		<b>8,505,189</b>	<b>6,910,291</b>	<b>6,834,601</b>
Department of Health & Family Support	Childcare Facilities Loan/Grant	-	-	-
Minneapolis Public Housing Authority	General Rehabilitation	-	-	-
Fire Department	Fire Protection Equipment	694,000	584,000	-
Regulatory Services	Lead Reduction	125,000	99,943	62,000
City Attorney's Office	New Problem Properties Strategy	38,000	30,383	-
Police Department	New Problem Properties Strategy	53,000	42,376	-
Regulatory Services	New Problem Properties Strategy	348,000	161,177	104,600
<b>Total Capital/Other (65%)</b>		<b>9,763,189</b>	<b>7,828,170</b>	<b>7,001,201</b>
<b>Public Service---CDBG</b>				
Community Planning & Economic Development	Youth Employment	328,000	253,000	253,000
	Mortgage Foreclosure Prevention Program	-	-	-
	Advocacy (Housing)	-	-	-
City Attorney's Office	Restorative Justice Programs	20,000	20,000	-
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs )	121,000	121,000	121,000
Public Works	Graffiti Removal on Public Property	-	-	-
Police Department	Community Crime Prevention Specialists	934,386	884,386	884,000
Department of Health & Family Support	Way to Grow	262,000	212,000	195,000
	Curfew and Truancy Services	100,000	100,000	100,000
	Domestic Abuse Project		75,000	60,000
	<i>Public Health Advisory Recommendations</i>	-		-
	Catholic Charities	49,000		-
	Minnesota International Health Volunteers	49,000		-
	Living at Home/Block Nurse Programs	49,000	20,437	-
	Southside Community Health Services	47,000		-
	Greater Mpls Council of Churches/Division of Indian Work	26,000		-
	Minneapolis Public Schools TAPPP	49,000	70,000	-
	Centro Cultural Chicano, Inc.	33,000		-
	Minneapolis Urban League	49,000		-
	Lao Family Community of MN	49,000		-
	Holy Rosary Church		50,000	-
<b>Total Public Service (15%)</b>		<b>2,165,386</b>	<b>1,805,823</b>	<b>1,613,000</b>
<b>Public Service - 15% Cap</b>		<b>2,165,936</b>	<b>1,806,374</b>	<b>1,613,634</b>

**SCHEDULE FOUR**  
**Year 38 (2012) - Community Development Block Grant**

Organization	Project	2010 Consolidated Plan	2011 Consolidated Plan	2012 Council Adopted
<b><u>Administration---CDBG</u></b>				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	365,000	365,000	365,000
Community Planning & Economic Development	Program Administration	-	100,000	-
	Citizen Participation	233,000	-	-
	Planning - Administration	941,000	991,498	992,360
	Legal Aid Society	34,000	34,000	29,260
Department of Health & Family Support	Grant Administration	68,000	68,000	68,000
	Neighborhood Services	72,000	72,000	72,000
	Way to Grow Administration	26,000	26,000	16,000
	Youth Violence Prevention	121,000	101,000	101,000
Finance Department	Program Administration	196,000	196,000	196,000
Intergovernmental Relations	Grants & Special Projects	190,000	190,000	190,000
	Legal Aid Society - Housing Discrimination Law Project	54,000	54,000	47,740
Neighborhood & Community Relations	Homelessness initiative	77,000	77,000	-
Minneapolis Public Housing	Resident Participation	68,000	68,000	-
Youth Coordinating Board	Administration	66,000	66,000	66,000
<b>Total Administration (20%)</b>		<b>2,511,000</b>	<b>2,408,498</b>	<b>2,143,360</b>
<b>Administration 20% cap</b>		<b>2,887,915</b>	<b>2,408,498</b>	<b>2,151,512</b>
<b>CDBG Total of Requests (100%)</b>		<b>14,439,575</b>	<b>12,042,491</b>	<b>10,757,561</b>
<b>Anticipated CDBG Revenue</b>		<b>14,439,575</b>	<b>12,042,491</b>	<b>10,757,561</b>
<b><u>Other Consolidated Plan Entitlement Funds</u></b>				
<b>HOME Investment Partnerships</b>				
Community Planning & Economic Development	Housing Programs	3,765,884	3,327,988	2,057,652
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	15,000
<b>Emergency Solutions Grant (ESG)</b>				
Community Planning & Economic Development	Emergency Solutions Grant Programs	572,765	797,813	938,528
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	76,097
<b>Housing Opportunities for Persons with AIDS (HOPWA)</b>				
	Third Party Contractors/Subrecipients/Subgrantees	977,370	1,006,587	1,002,560
<b>Grand Total Consolidated Plan</b>		<b>19,785,594</b>	<b>17,204,879</b>	<b>14,847,398</b>

**SCHEDULE FIVE  
STAFFING INFORMATION**

	2009 Budget	2010 Budget	2011 Budget	2012 Council Adopted	Change	% Change
<b>OTHER CHARTER DEPARTMENTS</b>						
ASSESSOR	36.50	36.50	34.50	35.00	0.50	1.4%
ATTORNEY	105.50	102.00	105.00	101.00	(4.00)	-3.8%
CITY COUNCIL & CLERK	66.50	65.50	64.75	65.02	0.27	0.4%
FIRE	444.00	438.00	406.00	392.00	(14.00)	-3.4%
CIVIL RIGHTS	21.00	19.00	19.00	19.00		0.0%
INTERNAL AUDIT		2.00	3.00	2.50	(0.50)	-16.7%
MAYOR	12.00	10.00	11.00	11.00		0.0%
POLICE	1,092.00	999.20	992.00	967.80	(24.20)	-2.4%
REGULATORY SERVICES	219.00	285.10	293.59	286.30	(7.29)	-2.5%
HEALTH AND FAMILY SUPPORT	67.00	60.00	61.70	50.25	(11.45)	-18.6%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	141.00	135.32	128.00	116.79	(11.21)	-8.8%
<b>OTHER CHARTER DEPARTMENTS</b>	<b>2,204.50</b>	<b>2,152.62</b>	<b>2,118.54</b>	<b>2,046.66</b>	<b>(71.88)</b>	<b>-3.4%</b>
<b>PUBLIC WORKS</b>						
PW - TRANSPORTATION PLANNING AND ENGINEERING	88.00	74.00	78.00	77.00	(1.00)	-1.3%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	169.60	150.75	149.45	145.27	(4.18)	-2.8%
SURFACE WATER & SEWERS-STORMWATR	68.50	55.00	52.25	53.15	0.90	1.7%
SURFACE WATER & SEWERS-SANITARY	41.40	38.40	38.65	37.75	(0.90)	-2.3%
PW - ADMINISTRATIVE SERVICES	15.50	15.50	16.00	16.00		0.0%
PW - SOLID WASTE	129.00	127.00	127.00	127.00		0.0%
PW - FLEET	246.60	180.60	172.00	168.00	(4.00)	-2.3%
PW - PROPERTY SERVICES	6.50	6.50	6.00		(6.00)	-100.0%
PW - TRAFFIC AND PARKING SERVICES	94.13	90.00	89.00	89.00		0.0%
PW - WATER TREATMENT & DISTR.	252.75	216.67	207.00	204.50	(2.50)	-1.2%
<b>PUBLIC WORKS</b>	<b>1,111.98</b>	<b>954.42</b>	<b>935.35</b>	<b>917.67</b>	<b>(17.68)</b>	<b>-1.9%</b>
<b>CITY COORDINATOR</b>						
HUMAN RESOURCES	52.00	47.60	47.60	45.30	(2.30)	-4.8%
FINANCE DEPARTMENT	269.00	247.00	240.00	239.00	(1.00)	-0.4%
CITY COORDINATOR ADMINISTRATION*	9.00	9.00	9.00	9.00		0.0%
911	84.00	78.00	78.00	78.00		0.0%
311	34.00	28.00	28.00	28.00		0.0%
EMERGENCY MANAGEMENT	6.40	5.40	7.41	6.00	(1.41)	-19.0%
INTERGOVERNMENTAL RELATIONS	8.00	8.00	8.00	7.00	(1.00)	-12.5%
COMMUNICATIONS	15.00	14.00	14.00	12.00	(2.00)	-14.3%
NEIGHBORHOOD & COMMUNITY RELATIONS	8.50	8.50	16.00	16.00		0.0%
CONVENTION CENTER	208.18	208.18	193.00	194.10	1.10	0.6%
BUSINESS INFORMATION SERVICES	90.00	80.00	59.00	57.00	(2.00)	-3.4%
<b>CITY COORDINATOR</b>	<b>784.08</b>	<b>733.68</b>	<b>700.01</b>	<b>691.40</b>	<b>(8.61)</b>	<b>-1.2%</b>
<b>INDEPENDENT BOARDS</b>						
PARK BOARD	859.00	827.00	811.18	802.40	(8.78)	-1.1%
YOUTH COORDINATING BOARD	5.00	5.00	5.80	5.80		0.0%
MPHA	298.00	313.86	318.00	292.00	(26.00)	-8.2%
BOARD OF ESTIMATE & TAXATION	2.00	2.00	1.00	1.00		0.0%
MUNICIPAL BUILDING COMMISSION	62.00	62.00	60.00	54.00	(6.00)	-10.0%
<b>INDEPENDENT BOARDS</b>	<b>1,226.00</b>	<b>1,209.86</b>	<b>1,195.98</b>	<b>1,155.20</b>	<b>(40.78)</b>	<b>-3.4%</b>
<b>TOTAL CITY (including Boards)</b>	<b>5,326.56</b>	<b>5,050.58</b>	<b>4,949.88</b>	<b>4,810.93</b>	<b>(138.95)</b>	<b>-2.8%</b>

\*911, 311, and Emergency Management are divisions within the City Coordinator Administration Department but are broken out for illustrative purposes in this table.

## SCHEDULE FIVE FOOTNOTES

**Note:** *The 2011 budgeted numbers reflected 2011 Council Adopted and do not include any changes that have occurred during the fiscal year 2011.*

**Assessor:** The department increased 0.5 positions within existing resources.

**Attorney:** The department reduced 2 FTEs with internal shifts. Council adopted an additional cut of 2 FTEs, for a total department reduction of 4 FTEs.

**BIS:** The department reduced 2 positions. 1 Convention Center funded position was transferred to Convention Center so is no longer considered a BIS employee.

**City Council/Clerk/Elections:** The department increased 0.27 positions within existing resources.

**City Coordinator Administration:** No changes.

**911:** No changes.

**311:** No changes.

**Emergency Management:** This division is transferred to City Coordinator Administration in 2012 from Regulatory Services and the reduction in positions is technical in nature due to how positions are allocated between the two departments in the transfer.

**Civil Rights:** The Mayor reduced 1 position. This position was restored by Council for an overall FTE change of 0.

**Communications:** The Mayor Recommended a reduction of 1 FTE and the department reduced 1 FTE to meet ongoing budgetary reduction needs.

**Community Planning and Economic Development:** CPED submitted a budget that reduced its staffing levels by 5.2 FTEs in 2012. The Mayor further recommended and Council adopted a reduction of 6 FTE to meet the department's long-term financial projections.

**Convention Center:** The department increased 1 FTE due to an employee transfer from BIS.

**Finance:** The department increased 1 FTE to help with the implementation of the new Enterprise Resource Planning System and reduced two vacant FTE for a net total reduction of 1 FTE in the 2012 Council Adopted Budget.

**Fire:** The 2011 adopted number included 13 firefighters funded with one time funding, which were removed from the budget for 2012. The Mayor recommended, and Council adopted a reduction of 1 position. Council resolution 2011R-465 appropriates 4 firefighter positions to the 2012 budget on a one time basis. Those 4 FTE are not reflected on this schedule because they are added on a one time basis and not to the department's base.

**Health and Family Support:** The department has 11.45 less FTEs than it did in 2011. The department requested 8.45 less FTE than in 2011. One additional position was reduced as a

result of shifting grant funding from personnel expense to non personnel expense. During 2011, the funding for one vacant FTE was transferred to the fire department. A council action moved the senior ombudsman out of Health and into NCR for 2012.

**Human Resources:** The department reduced 2.3 FTE across all funds to better realign program services with available resources.

**Intergovernmental Relations:** The Mayor recommended and Council adopted a reduction of 1 vacant FTE from this department.

**Internal Audit:** The Mayor recommended a reduction of 1 FTE and the Council restored 1 FTE to be hired mid-year (0.5 FTE for 2012).

**Mayor:** No changes.

**Neighborhood and Community Relations:** The Mayor recommended a reduction of 1 FTE and the Council transferred 1 FTE into NCR from Health and Family Support.

**Police:** The Mayor recommended, and Council adopted a reduction of 24 FTE including 2 managerial positions and 17 officers. Sworn positions shall be reduced through attrition and reassignment.

**Public Works Administration:** No changes.

**Public Works Fleet Services:** The department reduced 6 vacant positions and added 2 positions.

**Public Works Property Services:** Property Services moved to Finance. Prior to the move, there were 6 FTE decreased related to CPED properties as the duties will be contracted.

**Public Works Surface Water and Sewers-Sanitary:** The department decreased 0.9 FTE due to the reallocation to Stormwater division.

**Public Works Surface Water and Sewers-Stormwater:** The department increased 0.9 FTE due to the reallocation to Stormwater division.

**Public Works Solid Waste and Recycling:** No changes.

**Public Works Traffic and Parking Services:** No changes.

**Public Works Transportation Maintenance and Repair:** The department decreased 4.18 vacant positions.

**Public Works Transportation Planning and Engineering:** The department reduced 1 vacant position.

**Public Works Water:** The department reduced 2.5 vacant positions.

**Regulatory Services:** The department reduced 7.29 FTE.

## **INDEPENDENT BOARDS AND AGENCIES**

**Board of Estimate and Taxation:** No changes.

**Minneapolis Public Housing Authority:** The Housing Authority reduced 26 positions.

**Municipal Building Commission:** MBC reduced 6 positions because the City Hall and Courthouse security function moved to Hennepin County.

**Park Board:** The Park Board reduced 9 positions.

**Youth Coordinating Board:** No changes.



SCHEDULES 6 & 7  
2012 CPED PROGRAM ALLOCATIONS BY FUND

**2012 BUDGET BY FUNDING SOURCE**

Existing Program/Category	2011 Adopted Budget	2012 Adopted Budget *	2012 BUDGET BY FUNDING SOURCE									
			General Fund (0100)	CDBG (1400)	HOME (1500)	Development Account (01SDA)	Local Contribution Fund (01CLC)	Economic Bond Fees (01SED)	GARFS (07ERZ)	TIF for Affordable Housing (Various)	Capital Projects Other Fund (01CPO)	NSP
<b>Commercial Development</b>												
Great Streets	3,491,460	889,810		41,000		348,810						500,000
Commercial Property Management	478,000	174,000		139,000		35,000						
BDF Loans	125,000	0										
Riverfront Development Organization	50,000	0										
Regional Economic Development Entity	50,000	0										
Greater MSP	100,000	0										
<b>Total Commercial Development</b>	<b>4,294,460</b>	<b>1,213,810</b>	<b>150,000</b>	<b>180,000</b>	<b>0</b>	<b>383,810</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>
<b>Business Assistance</b>												
2% Loans	1,500,000	1,075,000							1,075,000			
Alternative Loans	300,000	287,404						287,404				
BDF Loans	125,000	150,584						150,584				
Business Association Assistance	150,000	135,696						135,696				
Capital Acquisition Loans	750,000	0										
Commercial Corridor 2% Loan Prog	1,500,000	1,169,000							1,169,000			
Credit Building Loans	25,000	22,792						22,792				
Small Business Partnerships	120,000	208,960						208,960				
Homegrown Business Dev Center	0	205,348	75,000					130,348				
Commercial Energy Efficiency Loans	0	136,196						136,196				
<b>Total Business Assistance</b>	<b>4,470,000</b>	<b>3,390,980</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,071,980</b>	<b>2,244,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Workforce Development</b>												
Adult Programs	2,272,590	2,270,000		1,480,000		120,668		669,332				
Youth Programs	1,376,000	1,013,000	100,000	253,000		660,000						
Racial Disparities in Employment (RENEW)		210,000	210,000									
<b>Total Workforce Development</b>	<b>3,648,590</b>	<b>3,493,000</b>	<b>310,000</b>	<b>1,733,000</b>	<b>0</b>	<b>780,668</b>	<b>669,332</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Affordable Rental / Homelessness</b>												
Affordable Housing Trust Fund	7,530,517	6,649,528		2,991,876	1,657,652					2,000,000		
AHTF - Emergency Shelter Grants	544,127	938,528		938,528								
AHTF - Non-profit Developer Assistance	166,000	0										
It's All About Kids	125,000	0						0				
<b>Total Affordable Rental / Homelessness</b>	<b>8,365,644</b>	<b>7,588,056</b>	<b>0</b>	<b>3,930,404</b>	<b>1,657,652</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>0</b>
<b>Home Ownership / Affordable / Foreclosure</b>												
5 Point Housing Strategy	250,000	0										
Affordable Ownership Combined Program	250,000	80,668						80,668				
GMHC Home Ownership Program	34,000	0										
Home Ownership Works	537,702	400,000			400,000							
Mortgage Foreclosure Prevention Program	315,000	0										
Mortgage Foreclosure Prevention Program	100,000	0										
Vacant and Boarded Building Program	782,000	2,688,088		1,599,056								1,089,032
Vacant and Boarded - Property Man.	1,000,000	0										
<b>Total Affordable Rental / Homelessness</b>	<b>3,268,702</b>	<b>3,168,756</b>	<b>0</b>	<b>1,599,056</b>	<b>400,000</b>	<b>0</b>	<b>80,668</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,089,032</b>
<b>Miscellaneous</b>												
High Density Corridor Initiative	730,000	583,669		583,669								
Planning Matching Grants	100,000	75,000				75,000						
<b>GRAND TOTALS</b>	<b>24,877,396</b>	<b>19,513,271</b>	<b>535,000</b>	<b>8,026,129</b>	<b>2,057,652</b>	<b>1,239,478</b>	<b>750,000</b>	<b>1,071,980</b>	<b>2,244,000</b>	<b>2,000,000</b>	<b>500,000</b>	<b>1,089,032</b>

\* Amounts shown above do not include the related operating costs.

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>00100 - GENERAL FUND</b>					
TRANSFER TO CDBG UDAG 0400	26,052				
TRANSFER TO OTHER SPEC REV FDS	92,000	161,139	6,628,000	96,000	Target Center-Property Tax Funding in Financial Plan (\$92,000); also includes transfer related to Centralized Leases Action (\$4,000 to Board of Estimate and Taxation).
TRANSFER TO CITY CAPITAL 4100	2,329,000	5,800,000			
TRANSFER TO MBC 31100					
TRANSFER TO MBC CAPITAL 4200	202,500				
TRANSFER TO OTHER DEBT SVC FDS	14,568,000	11,648,954	10,424,792	24,440,220	Property tax supported debt service budgeted in the general fund for pensions
TRANSFER TO EQUIPMENT 6100	4,180,000	4,180,000	4,299,000	1,926,000	Equipment services fund workout plan (\$1,926,000)
TRANSFER TO PROP SVCS 6200	654,750	950,630	821,100	894,000	Includes debt service for 800 MHZ (\$514,000); also includes transfer related to Centralized Leases Action (\$380,000 to Property Services)
TRANSFER TO BUS INFO SVCS 6400	13,619,201	10,853,978	11,042,015	10,291,944	Intergovernmental Services Fund workout plan (\$9,495,000). Also includes transfers related to Centralized Leases Action (\$91,000 to BIS and \$221,500 to Attorney). Includes transfer from General Fund for General Fund departments' share of the wireless commitment (\$484,444).
TRANSFER TO CITY SELF INS 6900	6,915,000	10,810,000	7,330,000	3,850,000	Self-insurance fund workout plan.
TRANSFER TO PARKING 7500	38,527				
TRNSFR TO SOLID WASTE 7700	50,000	50,000	50,000	150,000	Graffiti remediation efforts (\$50,000); added in 2004. Mayor recommends additional \$100,000 for these efforts.
<b>00100 - GENERAL FUND</b>	<b>42,675,030</b>	<b>44,454,701</b>	<b>40,594,907</b>	<b>41,648,164</b>	
<b>01000 - BOARD OF ESTIMATE AND TAXATION</b>					
TRANSFER TO CITY GEN 00100		149,392			
<b>01000 - BOARD OF ESTIMATE AND TAXATION</b>		<b>149,392</b>			
<b>01260 - ARENA - RESERVE</b>					
TRANSFER TO TAX INCR FUNDS	(244,205)				
<b>01260 - ARENA - RESERVE</b>	<b>(244,205)</b>				
<b>01279 - CONVENTION FACILITIES - RESERVE</b>					
TRANSFER TO CONV CTR 0760	1,000,000	1,000,000	1,500,000	1,500,000	Funding convention center facility improvements
<b>01279 - CONVENTION FACILITIES - RESERVE</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	
<b>01300 - GRANTS - FEDERAL</b>					
TRANSFER TO CITY GENERAL 0100	99,457	128,993	79,200	90,000	Equal Employment Opportunity Commission (EEOC) reimbursement revenues generated by civil rights and used to support their work in the general fund
TRNSFR TO SANITARY SEWER 07100		318,978			
TRNSFR TO STORM SEWER 07300		342,262			
<b>01300 - GRANTS - FEDERAL</b>	<b>99,457</b>	<b>790,233</b>	<b>79,200</b>	<b>90,000</b>	
<b>01400 - CDBG &amp; UDAG FUNDS</b>					
TRANSFER TO OTHER SPEC REV FDS	668				
<b>01400 - CDBG &amp; UDAG FUNDS</b>	<b>668</b>				
<b>01600 - GRANTS - OTHER</b>					
TRANSFER TO CITY GENERAL 0100	700,000	700,000	700,000	700,000	Transfer of cable franchise settlement, \$700,000 through 2011
<b>01600 - GRANTS - OTHER</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>01760 - CONVENTION CENTER OPERATIONS</b>					
TRANSFER TO CITY GENERAL 0100	8,033,963	12,718,709	11,468,776	13,286,212	Entertainment tax revenue estimate (\$13,036,212) which includes the transfer of sales tax for mounted patrol related to convention public safety activities (\$250,000).
TRANSFER TO OTHER SPEC REV FDS	2,187,691	1,855,855	1,230,000	2,050,000	transfer is the Convention Center related facilities reserve in financial plan (\$1,150,000). \$900,000 will be transferred to Target Center facilities.
TRNSFR TO CNV CTR DBT SVC 5300	15,174,216	19,036,648	20,744,125	20,075,275	Convention center related debt
TRANSFER TO OTHER DEBT SVC FDS	75,000	73,000	153,000	400,000	Minneapolis Employee Retirement Fund debt for convention center retirees
TRANSFER TO PARKING 7500	9,969,000	11,543,915	6,419,880	6,580,100	Convention center related parking debt and operating costs
<b>01760 - CONVENTION CENTER OPERATIONS</b>	<b>35,439,870</b>	<b>45,228,127</b>	<b>40,015,781</b>	<b>42,391,587</b>	
<b>01990 - EMPLOYEE RETIREMENT</b>					
TRANSFER TO CITY GENERAL 0100	507,688	307,837			
<b>01990 - EMPLOYEE RETIREMENT</b>	<b>507,688</b>	<b>307,837</b>			
<b>01AHG - HUMBOLDT GREENWAY TE BONDS</b>					
TRNSFR TO TAX INC DBT SVC05900		221,623			
<b>01AHG - HUMBOLDT GREENWAY TE BONDS</b>		<b>221,623</b>			
<b>01BWM - WEST SIDE MILLING TE BONDS II</b>					
TRNSFR TO TAX INC DBT SVC05900		15,109			
<b>01BWM - WEST SIDE MILLING TE BONDS II</b>		<b>15,109</b>			
<b>01C33 - BLOCK 33</b>					
TRNSFR TO TAX INC DBT SVC 5900	20,000				
<b>01C33 - BLOCK 33</b>	<b>20,000</b>				
<b>01CBA - WEST BROADWAY</b>					
TRNSFR TO TAX INC DBT SVC 5900		319,375	65,000	71,975	TIF debt service reimbursement
<b>01CBA - WEST BROADWAY</b>		<b>319,375</b>	<b>65,000</b>	<b>71,975</b>	
<b>01CBB - EAST BANK 1335</b>					
TRNSFR TO TAX INC DBT SVC 5900	65,000	1,300,000	110,000	48,256	TIF debt service reimbursement
<b>01CBB - EAST BANK 1335</b>	<b>65,000</b>	<b>1,300,000</b>	<b>110,000</b>	<b>48,256</b>	
<b>01CBC - GRANT</b>					
TRNSFR TO TAX INC DBT SVC 5900	300,000		40,000	51,296	TIF debt service reimbursement
<b>01CBC - GRANT</b>	<b>300,000</b>		<b>40,000</b>	<b>51,296</b>	
<b>01CBD - CHICAGO AND LAKE</b>					
TRNSFR TO TAX INC DBT SVC 5900	80,000				
<b>01CBD - CHICAGO AND LAKE</b>	<b>80,000</b>				
<b>01CBF - NORTH LOOP</b>					
TRNSFR TO TAX INC DBT SVC 5900	65,000	1,000,000	1,420,000	1,251,054	TIF debt service reimbursement
<b>01CBF - NORTH LOOP</b>	<b>65,000</b>	<b>1,000,000</b>	<b>1,420,000</b>	<b>1,251,054</b>	
<b>01CBG - INDUSTRY SQUARE</b>					
TRNSFR TO TAX INC DBT SVC 5900	2,661,500		180,000	183,192	TIF debt service reimbursement
<b>01CBG - INDUSTRY SQUARE</b>	<b>2,661,500</b>		<b>180,000</b>	<b>183,192</b>	
<b>01CBH - SEWARD SOUTH</b>					
TRNSFR TO TAX INC DBT SVC 5900	7,500	365,000	1,350,000	362,558	TIF debt service reimbursement
<b>01CBH - SEWARD SOUTH</b>	<b>7,500</b>	<b>365,000</b>	<b>1,350,000</b>	<b>362,558</b>	
<b>01CBJ - CEDAR RIVERSIDE</b>					
TRNSFR TO TAX INC DBT SVC 5900	100,000	500,000	2,115,000	644,274	TIF debt service reimbursement
<b>01CBJ - CEDAR RIVERSIDE</b>	<b>100,000</b>	<b>500,000</b>	<b>2,115,000</b>	<b>644,274</b>	
<b>01CBM - HENNEPIN &amp; LAKE</b>					
TRNSFR TO TAX INC DBT SVC 5900			85,000	186,306	TIF debt service reimbursement
<b>01CBM - HENNEPIN &amp; LAKE</b>			<b>85,000</b>	<b>186,306</b>	

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>01CBN - BROADWAY 35-W</b>					
TRNSFR TO TAX INC DBT SVC 5900			644,875	248,510	TIF debt service reimbursement
<b>01CBN - BROADWAY 35-W</b>			<b>644,875</b>	<b>248,510</b>	
<b>01CBQ - CONSERVATORY</b>					
TRNSFR TO TAX INC DBT SVC 5900	180,000				
TRANSFER TO PARKING 7500	2,470,175	691,809	1,700,000	1,488,531	TIF Debt Service Reimbursement to Parking Fund
<b>01CBQ - CONSERVATORY</b>	<b>2,650,175</b>	<b>691,809</b>	<b>1,700,000</b>	<b>1,488,531</b>	
<b>01CBT - LORING PARK</b>					
TRNSFR TO TAX INC DBT SVC 5900	84,750	2,451,125	10,000	13,105	TIF debt service reimbursement
<b>01CBT - LORING PARK</b>	<b>84,750</b>	<b>2,451,125</b>	<b>10,000</b>	<b>13,105</b>	
<b>01CBU - LAUREL VILLAGE</b>					
TRNSFR TO TAX INC DBT SVC 5900	1,781,551	2,975,928	1,806,710	1,943,285	TIF debt service reimbursement
<b>01CBU - LAUREL VILLAGE</b>	<b>1,781,551</b>	<b>2,975,928</b>	<b>1,806,710</b>	<b>1,943,285</b>	
<b>01CBX - CITY CENTER</b>					
TRANSFER TO OTHER DEBT SVC FDS	4,125				
TRNSFR TO TAX INC DBT SVC 5900				215,397	TIF debt service reimbursement
TRANSFER TO PARKING 7500		169,125			
<b>01CBX - CITY CENTER</b>	<b>4,125</b>	<b>169,125</b>		<b>215,397</b>	
<b>01CBY - SOUTH NICOLLET MALL</b>					
TRNSFR TO TAX INC DBT SVC 5900	1,000,000				
TRANSFER TO PARKING 7500	8,478,486	2,120,711	4,743,481	5,150,228	TIF Debt Service Reimbursement to Parking Fund
<b>01CBY - SOUTH NICOLLET MALL</b>	<b>9,478,486</b>	<b>2,120,711</b>	<b>4,743,481</b>	<b>5,150,228</b>	
<b>01CHD - HISTORIC DEPOT REUSE DIST 93</b>					
TRNSFR TO TAX INC DBT SVC 5900	702,984	295,636	335,713	342,013	TIF debt service reimbursement
<b>01CHD - HISTORIC DEPOT REUSE DIST 93</b>	<b>702,984</b>	<b>295,636</b>	<b>335,713</b>	<b>342,013</b>	
<b>01CHE - HENNEPIN &amp; 7TH ENTERTAINMENT</b>					
TRNSFR TO TAX INC DBT SVC 5900	1,544,865	3,702,443	1,913,056	1,510,844	TIF debt service reimbursement
<b>01CHE - HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>1,544,865</b>	<b>3,702,443</b>	<b>1,913,056</b>	<b>1,510,844</b>	
<b>01CHG - HUMBOLDT GREENWAY DIST 98</b>					
TRNSFR TO TAX INC DBT SVC 5900	295,735	277,269	251,275	209,475	TIF debt service reimbursement
<b>01CHG - HUMBOLDT GREENWAY DIST 98</b>	<b>295,735</b>	<b>277,269</b>	<b>251,275</b>	<b>209,475</b>	
<b>01CHP - HERITAGE PARK</b>					
TRNSFR TO TAX INC DBT SVC 5900	482,326	490,351	502,851	509,826	TIF debt service reimbursement
<b>01CHP - HERITAGE PARK</b>	<b>482,326</b>	<b>490,351</b>	<b>502,851</b>	<b>509,826</b>	
<b>01CIT - IVY TOWER</b>					
TRNSFR TO TAX INC DBT SVC 5900			376,150	375,413	TIF debt service reimbursement
<b>01CIT - IVY TOWER</b>			<b>376,150</b>	<b>375,413</b>	
<b>01CLS - LAKE STREET CENTER</b>					
TRANSFER TO OTHER DEBT SVC FDS	284,347	285,927			
TRNSFR TO TAX INC DBT SVC 5900	182,833	185,533	183,133	181,933	TIF debt service reimbursement
<b>01CLS - LAKE STREET CENTER</b>	<b>467,180</b>	<b>471,460</b>	<b>183,133</b>	<b>181,933</b>	
<b>01CON - Consolidated TIF District</b>					
TRANSFER TO SPECIAL REVENUE			5,309,036		TIF Neighborhood Revitalization transfer from CPED to Neighborhood & Community Relations
TRNSFR TO TAX INC DBT SVC05900			3,686,326	4,955,951	Target Center Debt Service
<b>01CON - Consolidated TIF District</b>			<b>8,995,362</b>	<b>4,955,951</b>	
<b>01CPA - NWIP</b>					
TRNSFR TO TAX INC DBT SVC 5900				463,105	TIF debt service reimbursement
<b>01CPA - NWIP</b>				<b>463,105</b>	
<b>01CPB - HOLMES</b>					
TRNSFR TO TAX INC DBT SVC 5900	32,500			576,000	TIF debt service reimbursement
<b>01CPB - HOLMES</b>	<b>32,500</b>			<b>576,000</b>	

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>01CPC - NICOLLET ISLAND EAST BANK</b>					
TRNSFR TO TAX INC DBT SVC 5900				925,246	TIF debt service reimbursement
<b>01CPC - NICOLLET ISLAND EAST BANK</b>				<b>925,246</b>	
<b>01CPD - PORTLAND PLACE</b>					
TRANSFER TO OTHER DEBT SVC FDS	70,889	450,298			
<b>01CPD - PORTLAND PLACE</b>	<b>70,889</b>	<b>450,298</b>			
<b>01CPF - ELLIOT PARK</b>					
TRNSFR TO TAX INC DBT SVC 5900	100,000				
<b>01CPF - ELLIOT PARK</b>	<b>100,000</b>				
<b>01CPG - NICOLLET &amp; LAKE</b>					
TRNSFR TO TAX INC DBT SVC 5900	195,000			355,985	TIF debt service reimbursement
<b>01CPG - NICOLLET &amp; LAKE</b>	<b>195,000</b>			<b>355,985</b>	
<b>01CPH - CENTRAL &amp; 20TH</b>					
TRNSFR TO TAX INC DBT SVC 5900	10,000				
<b>01CPH - CENTRAL &amp; 20TH</b>	<b>10,000</b>				
<b>01CPJ - MILES I</b>					
TRNSFR TO TAX INC DBT SVC 5900	35,000				
<b>01CPJ - MILES I</b>	<b>35,000</b>				
<b>01CPK - NBA ARENA</b>					
TRANSFER TO OTHER DEBT SVC FDS		1,488,234			
<b>01CPK - NBA ARENA</b>		<b>1,488,234</b>			
<b>01CPL - PHILLIPS PARK</b>					
905901 - TRNSFR TO TAX INC DBT SVC05900	80,000				
<b>01CPL - PHILLIPS PARK</b>	<b>80,000</b>				
<b>01CPM - LASALLE PLACE</b>					
TRNSFR TO TAX INC DBT SVC 5900	580,000				
TRANSFER TO PARKING 7500	1,300,000			650,000	TIF Debt Service Reimbursement to Parking Fund
<b>01CPM - LASALLE PLACE</b>	<b>1,880,000</b>			<b>650,000</b>	
<b>01CPQ - NEIMAN MARCUS</b>					
TRANSFER TO OTHER DEBT SVC FDS	168,125				
TRNSFR TO TAX INC DBT SVC 5900	180,000				
<b>01CPQ - NEIMAN MARCUS</b>	<b>348,125</b>				
<b>01CPR - IDS DATA SERVICE CENTER</b>					
TRNSFR TO TAX INC DBT SVC 5900	110,000				
TRANSFER TO PARKING 7500	235,000		650,000	565,116	TIF transfer to Parking Fund
<b>01CPR - IDS DATA SERVICE CENTER</b>	<b>345,000</b>		<b>650,000</b>	<b>565,116</b>	
<b>01CTW - 10TH AND WASHINGTON</b>					
TRANSFER TO PARKING 7500	470,675	420,935	429,351	459,683	TIF Debt Service Reimbursement to Parking Fund
<b>01CTW - 10TH AND WASHINGTON</b>	<b>470,675</b>	<b>420,935</b>	<b>429,351</b>	<b>459,683</b>	
<b>01CWM - WEST SIDE MILLING DISTRICT</b>					
TRNSFR TO TAX INC DBT SVC 5900	3,725,290	1,532,769	1,667,331	1,519,956	TIF debt service reimbursement
<b>01CWM - WEST SIDE MILLING DISTRICT</b>	<b>3,725,290</b>	<b>1,532,769</b>	<b>1,667,331</b>	<b>1,519,956</b>	
<b>01SPH - COMMUNITY DEVELOPMENT</b>					
TRANSFER TO CITY CAPITAL 4100	800,000		4,313,000	5,000,000	Expanded Capital from Hilton Trust Funds
TRANSFER TO CITY GENERAL 0100	9,946,703	150,000	387,000		Expanded Capital from Hilton Trust Funds
TRANSFER TO PARK CAPITAL 14300	492,560	7,440	800,000	500,000	Expanded Capital from Hilton Trust Funds
<b>01SPH - COMMUNITY DEVELOPMENT</b>	<b>11,239,263</b>	<b>157,440</b>	<b>5,500,000</b>	<b>5,500,000</b>	
<b>04A30 - JUNE 02 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	62,000				
TRNSFR TO GEN DEBT SVC 05250	144				
<b>04A30 - JUNE 02 VARIOUS PURPOSE BONDS</b>	<b>62,144</b>				

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>04A50 - JUNE 03 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	68,347				
TRNSFR TO GEN DEBT SVC 05250	299				
<b>04A50 - JUNE 03 VARIOUS PURPOSE BONDS</b>	<b>68,646</b>				
<b>04A60 - JUNE 04 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	99,514	31,250			
TRNSFR TO GEN DEBT SVC 05250	4,255	25,250			
<b>04A60 - JUNE 04 VARIOUS PURPOSE BONDS</b>	<b>103,769</b>	<b>56,500</b>			
<b>04A70 - JUNE 05 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	218,133	70,203			
TRNSFR TO GEN DEBT SVC 05250	12,550	4,420			
<b>04A70 - JUNE 05 VARIOUS PURPOSE BONDS</b>	<b>230,683</b>	<b>74,623</b>			
<b>04B10 - OCT05 VAR PURP REFUNDING BONDS</b>					
TRNSFR TO GEN DEBT SVC 05250	196	76			
<b>04B10 - OCT05 VAR PURP REFUNDING BONDS</b>	<b>196</b>	<b>76</b>			
<b>04B20 - JUNE 06 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	884,444	464,700			
TRANSFER TO MBC CAPITAL 34200	71,075				
TRNSFR TO GEN DEBT SVC 05250	19,354	5,792			
<b>04B20 - JUNE 06 VARIOUS PURPOSE BONDS</b>	<b>974,873</b>	<b>470,492</b>			
<b>04B30 - JUNE 07 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	1,624,080	1,327			
TRANSFER TO MBC CAPITAL 34200	100,000				
TRANSFER TO PARK CAPITAL 14300	(36)				
TRNSFR TO GEN DEBT SVC 05250	67,556	27,567			
<b>04B30 - JUNE 07 VARIOUS PURPOSE BONDS</b>	<b>1,791,600</b>	<b>28,894</b>			
<b>04B40 - MAY 08 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	7,885,411	1,019,472			
TRANSFER TO MBC CAPITAL 34200	444,863				
TRANSFER TO PARK CAPITAL 14300		115,561			
TRNSFR TO GEN DEBT SVC 05250	182,242	17,479			
<b>04B40 - MAY 08 VARIOUS PURPOSE BONDS</b>	<b>8,512,516</b>	<b>1,152,512</b>			
<b>04B50 - May 09 Various Purpose Bonds</b>					
TRANSFER TO OTHER SPEC REV FDS	94,000				
TRANSFER TO CITY CAPITAL 04100	12,471,650	5,037,435			
TRANSFER TO MBC CAPITAL 34200	429,586	731,449			
TRANSFER TO PARK CAPITAL 14300	619,000				
TRNSFR TO GEN DEBT SVC 05250	1,641,187	96,211			
<b>04B50 - May 09 Various Purpose Bonds</b>	<b>15,255,423</b>	<b>5,865,095</b>			
<b>04B60 - JUNE 10 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO OTHER SPEC REV FDS		68,404			
TRANSFER TO CITY CAPITAL 04100		6,920,721			
TRANSFER TO MBC CAPITAL 34200		270,414			
TRANSFER TO PARK CAPITAL 14300		1,135,952			
TRNSFR TO GEN DEBT SVC 05250		1,384,960			
<b>04B60 - JUNE 10 VARIOUS PURPOSE BONDS</b>		<b>9,780,451</b>			
<b>04I10 - NOV10 IMPROV BOND ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 04100		5,905,356			
TRANSFER TO OTHER DEBT SVC FDS		25,116			
<b>04I10 - NOV10 IMPROV BOND ARBITRAGE</b>		<b>5,930,472</b>			
<b>04I40 - NOV04 IMPROV BOND ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 04100	188,507				
TRANSFER TO OTHER DEBT SVC FDS	1,813				
TRANSFER TO WATER 07400	143,589				
<b>04I40 - NOV04 IMPROV BOND ARBITRAGE</b>	<b>333,909</b>				
<b>04I60 - NOV06 IMPROV BOND ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 04100		(90,662)			
TRANSFER TO OTHER DEBT SVC FDS		90,662			
<b>04I60 - NOV06 IMPROV BOND ARBITRAGE</b>					

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>04180 - NOV08 IMPROV BOND ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 04100	261,624				
TRANSFER TO OTHER DEBT SVC FDS	6,834				
TRANSFER TO WATER 07400	243,698				
<b>04180 - NOV08 IMPROV BOND ARBITRAGE</b>	<b>512,156</b>				
<b>04190 - NOV09 IMPROV BOND ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 04100	8,906,924	885,765			
TRANSFER TO OTHER DEBT SVC FDS	35,225	504,158			
<b>04190 - NOV09 IMPROV BOND ARBITRAGE</b>	<b>8,942,149</b>	<b>1,389,923</b>			
<b>04L60 - May 08 Library Ref Bonds</b>					
TRANSFER TO OTHER DEBT SVC FDS	51,291	24,994			
<b>04L60 - May 08 Library Ref Bonds</b>	<b>51,291</b>	<b>24,994</b>			
<b>04Z00 - JUNE00 VARIOUS PURPOSE BONDS</b>					
TRANSFER TO CITY CAPITAL 04100	220,390				
TRNSFR TO GEN DEBT SVC 05250	635				
TRNSFR TO SANITARY SEWER 07100	37,000				
<b>04Z00 - JUNE00 VARIOUS PURPOSE BONDS</b>	<b>258,025</b>				
<b>05250 - BOND REDEMPTION - DEBT SERVICE</b>					
TRANSFER TO BUS INFO SVCS 6400	2,495,492	1,391,469	1,467,000	1,115,000	BIS new capital
<b>05250 - BOND REDEMPTION - DEBT SERVICE</b>	<b>2,495,492</b>	<b>1,391,469</b>	<b>1,467,000</b>	<b>1,115,000</b>	
<b>05450 - BOND REDEMPTION - ASSESSMENT</b>					
TRANSFER TO OTHER DEBT SVC FDS		1,967,269			
<b>05450 - BOND REDEMPTION - ASSESSMENT</b>		<b>1,967,269</b>			
<b>05600 - CONCERT HALL - DEBT SERVICE</b>					
TRNSFR TO GEN DEBT SVC 05250		1,347			
TRANSFER TO OTHER DEBT SVC FDS		436			
<b>05600 - CONCERT HALL - DEBT SERVICE</b>		<b>1,783</b>			
<b>05900 - TAX INCREMENT - DEBT SERVICE</b>					
TRNSFR TO GEN DEBT SVC 05250		60,000			
<b>05900 - TAX INCREMENT - DEBT SERVICE</b>		<b>60,000</b>			
<b>05Z10 - BOND REDEM ARBIT 6/87 IMP BOND</b>					
TRANSFER TO OTHER DEBT SVC FDS		7,788			
<b>05Z10 - BOND REDEM ARBIT 6/87 IMP BOND</b>		<b>7,788</b>			
<b>05Z20 - BOND REDEM ARBIT 9/87 IMP BOND</b>					
TRANSFER TO OTHER DEBT SVC FDS		10,098			
<b>05Z20 - BOND REDEM ARBIT 9/87 IMP BOND</b>		<b>10,098</b>			
<b>05Z30 - BOND REDEM ARBIT 6/88 IMP BOND</b>					
TRANSFER TO OTHER DEBT SVC FDS		13,006			
<b>05Z30 - BOND REDEM ARBIT 6/88 IMP BOND</b>		<b>13,006</b>			
<b>06000 - MATERIALS &amp; LAB-INTERNAL SVC</b>					
TRANSFER TO OTHER DEBT SVC FDS	58,000	57,000	88,000	195,000	MERF debt service related to engineering materials and testing retirees
<b>06000 - MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>58,000</b>	<b>57,000</b>	<b>88,000</b>	<b>195,000</b>	
<b>06100 - EQUIPMENT - INTERNAL SERVICE</b>					
TRANSFER TO OTHER DEBT SVC FDS	502,000	581,000	923,000	2,222,000	MERF debt service related equipment fund retirees
<b>06100 - EQUIPMENT - INTERNAL SERVICE</b>	<b>502,000</b>	<b>581,000</b>	<b>923,000</b>	<b>2,222,000</b>	
<b>06200 - PROPERTY - INTERNAL SERVICE</b>					
TRANSFER TO CITY CAPITAL 04100		807,118			
TRANSFER TO OTHER DEBT SVC FDS	97,000	118,000	228,000	598,000	MERF debt service related to property services retirees
<b>06200 - PROPERTY - INTERNAL SERVICE</b>	<b>97,000</b>	<b>925,118</b>	<b>228,000</b>	<b>598,000</b>	
<b>06300 - STORES - INTERNAL SERVICE</b>					
TRANSFER TO OTHER DEBT SVC FDS	34,000	33,000	51,000	117,000	MERF debt service related to stores retirees
<b>06300 - STORES - INTERNAL SERVICE</b>	<b>34,000</b>	<b>33,000</b>	<b>51,000</b>	<b>117,000</b>	

**SCHEDULE EIGHT**  
**Interfund Transfer Expense**

	2009 Actual	2010 Actual	2011 Revised	2012 Council	Description (2012 transfers)
<b>06400 - INFO TECH - INTERNAL SERVICE</b>					
TRANSFER TO CONV CTR 01760			1,500,000		
TRNSFR TO GEN DEBT SVC 5250	64,594	177,915			
TRANSFER TO OTHER DEBT SVC FDS	212,000	218,000	423,000	1,072,000	MERF debt service related to BIS/clerk retirees
<b>06400 - INFO TECH - INTERNAL SERVICE</b>	<b>276,594</b>	<b>395,915</b>	<b>1,923,000</b>	<b>1,072,000</b>	
<b>06900 - SELF INSURANCE-INTERNAL SVC</b>					
TRANSFER TO BUS INFO SVC 06400			1,000,000	1,000,000	To assist in payment of debt service as determined by the updated 2008 long-term financial plan
TRANSFER TO OTHER DEBT SVC FDS	145,000	140,000	217,000	485,000	MERF debt service related to self insurance fund retirees
<b>06900 - SELF INSURANCE-INTERNAL SVC</b>	<b>145,000</b>	<b>140,000</b>	<b>1,217,000</b>	<b>1,485,000</b>	
<b>07100 - SANITARY SEWER FUND</b>					
TRANSFER TO CITY CAPITAL 04100	1,200,000	250,000			
TRNSFR TO GEN DEBT SVC 5250	336,003	269,793			
TRANSFER TO WATER 07400				993,886	To fund Sanitary Sewer's obligation to support the Meter Shop operations
TRANSFER TO OTHER DEBT SVC FDS	292,000	305,000	478,000	1,112,000	MERF debt service sewer rate funded retirees
<b>07100 - SANITARY SEWER FUND</b>	<b>1,828,003</b>	<b>824,793</b>	<b>478,000</b>	<b>2,105,886</b>	
<b>07300 - STORMWATER FUND</b>					
TRANSFER TO CITY CAPITAL 04100	250,000	2,826,000			
TRNSFR TO GEN DEBT SVC 5250	545,137	180,355			
TRANSFER TO OTHER DEBT SVC FDS	292,000	305,000	478,000	1,112,000	MERF debt service sewer rate funded retirees
<b>07300 - STORMWATER FUND</b>	<b>1,087,137</b>	<b>3,311,355</b>	<b>478,000</b>	<b>1,112,000</b>	
<b>07400 - WATER - ENTERPRISE</b>					
TRNSFR TO GEN DEBT SVC 5250	962,534	248,801			
TRANSFER TO OTHER DEBT SVC FDS	1,071,000	1,258,000	2,042,000	4,992,000	MERF debt service water rate funded retirees
<b>07400 - WATER - ENTERPRISE</b>	<b>2,033,534</b>	<b>1,506,801</b>	<b>2,042,000</b>	<b>4,992,000</b>	
<b>07500 - MUNICIPAL PARKING-ENTERPRISE</b>					
TRANSFER TO CITY GENERAL 0100	7,818,000	7,818,000	7,818,000	7,818,000	Annual contribution from parking fund per the parking fund workout plan
TRANSFER TO OTHER SPEC REV FDS	2,241,000	2,241,000	2,758,000	2,940,905	Target center finance plan
TRNSFR TO GEN DEBT SVC 5250	1,561,257	125,657			
TRANSFER TO OTHER DEBT SVC FDS	115,000	111,000	198,000	477,000	MERF debt service related to parking rate funded retirees
TRNSFR TO SOLID WASTE 7700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
<b>07500 - MUNICIPAL PARKING-ENTERPRISE</b>	<b>11,881,257</b>	<b>10,441,657</b>	<b>10,920,000</b>	<b>11,381,905</b>	
<b>07700 - SOLID WASTE - ENTERPRISE</b>					
TRANSFER TO CITY GENERAL 0100	700,000	699,999	700,000	700,000	Payment for snowplowing (began in 2003)
TRANSFER TO OTHER DEBT SVC FDS	121,000	151,000	236,000	571,000	MERF debt service related to solid waste rate funded retirees
<b>07700 - SOLID WASTE - ENTERPRISE</b>	<b>821,000</b>	<b>850,999</b>	<b>936,000</b>	<b>1,271,000</b>	
<b>07S30 - JUNE 03 SEWER ARBITRAGE</b>					
TRANSFER TO CITY CAPITAL 4100	10,251				
TRNSFR TO GEN DEBT SVC 5250	640				
TRNSFR TO STORM SEWER 07300	202,438				
<b>07S30 - JUNE 03 SEWER ARBITRAGE</b>	<b>213,329</b>				
<b>31100 - MUNICIPAL BUILDING COMMISSION</b>					
TRANSFER TO OTHER DEBT SVC FDS			187,200	480,000	Minneapolis Employee Retirement Fund debt for MBC retirees
<b>31100 - MUNICIPAL BUILDING COMMISSION</b>			<b>187,200</b>	<b>480,000</b>	
<b>Summary</b>	<b>178,071,153</b>	<b>161,340,013</b>	<b>138,902,376</b>	<b>145,435,055</b>	



**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	89,000	92,929	106,356	113,836	7.0%
ATTORNEY	43,000	43,899	44,936	33,898	-24.6%
CITY COUNCIL & CLERK	395,000	405,454	461,623	517,016	12.0%
FIRE	2,098,290	2,118,271	2,337,610	2,493,238	6.7%
CIVIL RIGHTS	246,000	253,946	291,225	333,702	14.6%
MAYOR	241,000	249,813	287,336	315,686	9.9%
POLICE	5,909,425	6,179,511	7,086,054	7,850,080	10.8%
REGULATORY SERVICES	1,009,608	1,094,828	938,778	1,245,462	32.7%
HEALTH AND FAMILY SUPPORT	105,000	109,803	126,776	136,731	7.9%
PW - TRANSPORTATION PLANNING AND ENGINEERING	16,000	20,563	24,489	26,103	6.6%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	1,667,977	1,813,925	1,444,495	1,471,580	1.9%
PW - ADMINISTRATIVE SERVICES	428,000	443,234	456,608	456,749	0.0%
PW - TRAFFIC AND PARKING SERVICES	466,000	481,938	253,233	397,437	56.9%
HUMAN RESOURCES	424,000	437,881	501,721	571,434	13.9%
FINANCE DEPARTMENT	169,000	168,321	184,151	207,568	12.7%
911	179,000	159,000	142,069	145,664	2.5%
311		18,964	47,977	52,240	8.9%
CITY COORDINATOR	79,000	82,274	94,560	75,262	-20.4%
INTERGOVERNMENTAL RELATIONS	156,000	161,768	185,635	149,442	-19.5%
COMMUNICATIONS	81,000	83,941	96,502	77,644	-19.5%
INTERNAL AUDIT		278		25,291	100.0%
EMERGENCY MANAGEMENT	23,392	24,684	30,980	1,235	-96.0%
NEIGHBORHOOD & COMMUNITY RELATIONS		2,502	3,304	5,260	59.2%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	53,000	220,538	253,088	121,998	-51.8%
<b>Total GENERAL FUND</b>	<b>13,878,692</b>	<b>14,668,264</b>	<b>15,399,506</b>	<b>16,824,555</b>	<b>9.3%</b>
<b>TOTAL GENERAL</b>	<b>13,878,692</b>	<b>14,668,264</b>	<b>15,399,506</b>	<b>16,824,555</b>	<b>9.3%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	866,435	732,770	800,912	1,033,729	29.1%
<b>Total CPED OPERATING</b>	<b>866,435</b>	<b>732,770</b>	<b>800,912</b>	<b>1,033,729</b>	<b>29.1%</b>
<b>BOARD OF ESTIMATE AND TAXATION</b>					
BOARD OF ESTIMATE & TAXATION	500	278	270	245	-9.3%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>500</b>	<b>278</b>	<b>270</b>	<b>245</b>	<b>-9.3%</b>
<b>GRANTS - FEDERAL</b>					
FIRE	4,283				
POLICE	31,182				
PW - TRANSPORTATION MAINTENANCE AND REPAIR	1,517				
<b>Total GRANTS - FEDERAL</b>	<b>36,982</b>				
<b>GRANTS - OTHER</b>					
FIRE	1,428				
POLICE	10,394				
REGULATORY SERVICES			318,647		-100.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	506				
<b>Total GRANTS - OTHER</b>	<b>12,327</b>		<b>318,647</b>		<b>-100.0%</b>
<b>CONVENTION CENTER OPERATIONS</b>					
CONVENTION CENTER	736,000	721,230	586,378	532,722	-9.2%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>736,000</b>	<b>721,230</b>	<b>586,378</b>	<b>532,722</b>	<b>-9.2%</b>

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>NCR - SPECIAL REVENUE</u></b>					
NEIGHBORHOOD & COMMUNITY RELATIONS			39,683	45,707	15.2%
<b>Total NCR - SPECIAL REVENUE</b>			<b>39,683</b>	<b>45,707</b>	<b>15.2%</b>
<b><u>Regulatory Services Special Revenue Fund</u></b>					
REGULATORY SERVICES				207,559	100.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>207,559</b>	<b>100.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
PARK BOARD	1,966,781	1,975,022		125,491	100.0%
<b>Total PARK - GENERAL FUND</b>	<b>1,966,781</b>	<b>1,975,022</b>		<b>125,491</b>	<b>100.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	16,000	17,207	16,712	14,704	-12.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>16,000</b>	<b>17,207</b>	<b>16,712</b>	<b>14,704</b>	<b>-12.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	1,000	1,388		1,421	100.0%
<b>Total YOUTH COORDINATING BOARD</b>	<b>1,000</b>	<b>1,388</b>		<b>1,421</b>	<b>100.0%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	5,601	2,498			
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>5,601</b>	<b>2,498</b>			
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
MPHA				77,933	100.0%
<b>Total PUBLIC HOUSING AUTHORITY</b>				<b>77,933</b>	<b>100.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>3,641,626</b>	<b>3,450,393</b>	<b>1,762,602</b>	<b>2,039,511</b>	<b>15.7%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	63,000	62,313	63,227	67,414	6.6%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>63,000</b>	<b>62,313</b>	<b>63,227</b>	<b>67,414</b>	<b>6.6%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>63,000</b>	<b>62,313</b>	<b>63,227</b>	<b>67,414</b>	<b>6.6%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING		9,346	13,277	14,203	7.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>		<b>9,346</b>	<b>13,277</b>	<b>14,203</b>	<b>7.0%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	860,000	899,819	969,455	1,091,815	12.6%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>860,000</b>	<b>899,819</b>	<b>969,455</b>	<b>1,091,815</b>	<b>12.6%</b>
<b><u>Property Services</u></b>					
FINANCE DEPARTMENT	386,401	363,764	375,703	296,589	-21.1%
<b>Total Property Services</b>	<b>386,401</b>	<b>363,764</b>	<b>375,703</b>	<b>296,589</b>	<b>-21.1%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	31,000	31,757		30,000	100.0%

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
FINANCE DEPARTMENT	31,000	31,757	12,384	11,727	-5.3%
<b>Total STORES - INTERNAL SERVICE</b>	<b>62,000</b>	<b>63,514</b>	<b>12,384</b>	<b>41,727</b>	<b>236.9%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL & CLERK	39,000	44,051	46,887	10,883	-76.8%
BUSINESS INFORMATION SERVICES	120,000	124,153	140,048	149,809	7.0%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>159,000</b>	<b>168,204</b>	<b>186,935</b>	<b>160,692</b>	<b>-14.0%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
FINANCE DEPARTMENT			9,692		-100.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>			<b>9,692</b>		<b>-100.0%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
PARK BOARD	74,477	74,477			
<b>Total PARK - INTERNAL SERVICE</b>	<b>74,477</b>	<b>74,477</b>			
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
PARK BOARD		180			
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>		<b>180</b>			
<b>TOTAL INTERNAL SERVICE</b>	<b>1,541,878</b>	<b>1,579,304</b>	<b>1,567,446</b>	<b>1,605,026</b>	<b>2.4%</b>
<b><u>ENTERPRISE</u></b>					
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					
SURFACE WATER & SEWERS-SANITARY	744,000	535,015	431,388	384,566	-10.9%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>744,000</b>	<b>535,015</b>	<b>431,388</b>	<b>384,566</b>	<b>-10.9%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	11,856				
SURFACE WATER & SEWERS-STORMWATR	541,000	835,248	618,017	509,773	-17.5%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>552,856</b>	<b>835,248</b>	<b>618,017</b>	<b>509,773</b>	<b>-17.5%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	1,313,000	1,388,403	1,229,860	1,162,866	-5.4%
<b>Total WATER - ENTERPRISE</b>	<b>1,313,000</b>	<b>1,388,403</b>	<b>1,229,860</b>	<b>1,162,866</b>	<b>-5.4%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	466,000	473,342	470,000	272,000	-42.1%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>466,000</b>	<b>473,342</b>	<b>470,000</b>	<b>272,000</b>	<b>-42.1%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	847,000	909,927	955,432	918,574	-3.9%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>847,000</b>	<b>909,927</b>	<b>955,432</b>	<b>918,574</b>	<b>-3.9%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
PARK BOARD	93,636	103,506			
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>93,636</b>	<b>103,506</b>			
<b>TOTAL ENTERPRISE</b>	<b>4,016,492</b>	<b>4,245,441</b>	<b>3,704,697</b>	<b>3,247,779</b>	<b>-12.3%</b>
<b>TOTAL ALL FUNDS</b>	<b>23,141,687</b>	<b>24,005,716</b>	<b>22,497,478</b>	<b>23,784,285</b>	<b>5.7%</b>

**SCHEDULE TEN**  
**BUSINESS INFORMATION SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	367,000	305,529	367,354	393,532	7.1%
ATTORNEY	517,300	458,119	514,871	564,716	9.7%
CITY COUNCIL & CLERK	589,800	390,399	436,764	421,477	-3.5%
FIRE	852,900	808,257	809,003	849,003	4.9%
CIVIL RIGHTS	226,500	263,230	252,495	250,700	-0.7%
MAYOR	99,800	124,258	115,332	69,965	-39.3%
POLICE	4,849,400	4,807,213	5,460,103	5,817,095	6.5%
REGULATORY SERVICES	2,101,220	2,357,785	261,004	2,100,684	704.8%
HEALTH AND FAMILY SUPPORT	531,156	343,753	503,017	441,134	-12.3%
PW - TRANSPORTATION PLANNING AND ENGINEERING	66,700	69,611	88,161	94,434	7.1%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	426,192	356,241	327,504	322,197	-1.6%
PW - ADMINISTRATIVE SERVICES	314,817	260,104	250,718	243,995	-2.7%
PW - TRAFFIC AND PARKING SERVICES	322,800	311,116	318,128	359,677	13.1%
HUMAN RESOURCES	1,223,100	1,050,002	999,433	1,015,917	1.6%
FINANCE DEPARTMENT	2,616,200	2,387,910	2,769,370	2,770,230	0.0%
911	449,200	453,996	394,768	400,000	1.3%
311	777,900	822,761	746,953	778,456	4.2%
CITY COORDINATOR	99,000	63,972	71,043	69,552	-2.1%
INTERGOVERNMENTAL RELATIONS	49,900	56,280	68,230	69,151	1.3%
COMMUNICATIONS	160,000	158,516	163,380	157,599	-3.5%
INTERNAL AUDIT		5,516	5,907	35,386	499.1%
EMERGENCY MANAGEMENT	67,879	49,007	5,790	29,923	416.8%
NEIGHBORHOOD & COMMUNITY RELATIONS		4,497	75,971	53,027	-30.2%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	370,052	294,969	292,997	331,780	13.2%
<b>Total GENERAL FUND</b>	<b>17,078,815</b>	<b>16,203,041</b>	<b>15,298,296</b>	<b>17,639,630</b>	<b>15.3%</b>
<b>TOTAL GENERAL</b>	<b>17,078,815</b>	<b>16,203,041</b>	<b>15,298,296</b>	<b>17,639,630</b>	<b>15.3%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	880,140	777,324	833,933	765,733	-8.2%
<b>Total CPED OPERATING</b>	<b>880,140</b>	<b>777,324</b>	<b>833,933</b>	<b>765,733</b>	<b>-8.2%</b>
<b>COMMUNITY DEVELOPMENT INVEST</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				2,604	100.0%
<b>Total COMMUNITY DEVELOPMENT INVEST</b>				<b>2,604</b>	<b>100.0%</b>
<b>ECONOMIC DEVELOPMENT PROGRAM</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			5,569	5,647	1.4%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>			<b>5,569</b>	<b>5,647</b>	<b>1.4%</b>
<b>HOUSING PROGRAM</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				2,138	100.0%
<b>Total HOUSING PROGRAM</b>				<b>2,138</b>	<b>100.0%</b>
<b>BOARD OF ESTIMATE AND TAXATION</b>					
BOARD OF ESTIMATE & TAXATION	12,200	5,516	5,907	6,396	8.3%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>12,200</b>	<b>5,516</b>	<b>5,907</b>	<b>6,396</b>	<b>8.3%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>GRANTS - FEDERAL</u></b>					
ATTORNEY		5,113	5,807		-100.0%
REGULATORY SERVICES		34,475			
HEALTH AND FAMILY SUPPORT		19,093			
<b>Total GRANTS - FEDERAL</b>		<b>58,680</b>	<b>5,807</b>		<b>-100.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
HEALTH AND FAMILY SUPPORT	3,000	(1,500)			
INTERGOVERNMENTAL RELATIONS	3,900	1,149	680		-100.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				665	100.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>6,900</b>	<b>(351)</b>	<b>680</b>	<b>665</b>	<b>-2.2%</b>
<b><u>Home</u></b>					
PARK				59,915	100.0%
<b>Total Home</b>				<b>59,915</b>	<b>100.0%</b>
<b><u>GRANTS - OTHER</u></b>					
REGULATORY SERVICES			2,217,951		-100.0%
HEALTH AND FAMILY SUPPORT	11,000	23,000			
911	521,000	538,243	545,848	537,751	-1.5%
<b>Total GRANTS - OTHER</b>	<b>532,000</b>	<b>561,243</b>	<b>2,763,799</b>	<b>537,751</b>	<b>-80.5%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	640,000	674,309	693,783	632,804	-8.8%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>640,000</b>	<b>674,309</b>	<b>693,783</b>	<b>632,804</b>	<b>-8.8%</b>
<b><u>NCR - SPECIAL REVENUE</u></b>					
NEIGHBORHOOD & COMMUNITY RELATIONS				53,027	100.0%
<b>Total NCR - SPECIAL REVENUE</b>				<b>53,027</b>	<b>100.0%</b>
<b><u>Regulatory Services Special Revenue Fund</u></b>					
REGULATORY SERVICES				487,875	100.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>487,875</b>	<b>100.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
PARK BOARD	61,591	59,915	59,915		-100.0%
<b>Total PARK - GENERAL FUND</b>	<b>61,591</b>	<b>59,915</b>	<b>59,915</b>		<b>-100.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	2,000	7,060	6,451	7,735	19.9%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>2,000</b>	<b>7,060</b>	<b>6,451</b>	<b>7,735</b>	<b>19.9%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	48,100	38,098	41,700	44,657	7.1%
<b>Total YOUTH COORDINATING BOARD</b>	<b>48,100</b>	<b>38,098</b>	<b>41,700</b>	<b>44,657</b>	<b>7.1%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	18,309	18,027	19,122	(0)	-100.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>18,309</b>	<b>18,027</b>	<b>19,122</b>	<b>(0)</b>	<b>-100.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>2,201,240</b>	<b>2,199,821</b>	<b>4,436,666</b>	<b>2,606,946</b>	<b>-41.2%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	460,800	534,711	541,220	522,110	-3.5%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	23,800	67,881	67,798	73,627	8.6%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>484,600</b>	<b>602,592</b>	<b>609,018</b>	<b>595,736</b>	<b>-2.2%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>484,600</b>	<b>602,592</b>	<b>609,018</b>	<b>595,736</b>	<b>-2.2%</b>
<b><u>DEBT SERVICE</u></b>					
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
DEBT SERVICE				7,130	100.0%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>				<b>7,130</b>	<b>100.0%</b>
<b>TOTAL DEBT SERVICE</b>				<b>7,130</b>	<b>100.0%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	400	60,977	43,248	46,776	8.2%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>400</b>	<b>60,977</b>	<b>43,248</b>	<b>46,776</b>	<b>8.2%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	406,500	365,211	376,202	429,638	14.2%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>406,500</b>	<b>365,211</b>	<b>376,202</b>	<b>429,638</b>	<b>14.2%</b>
<b><u>Property Services</u></b>					
PW - PROPERTY SERVICES	21,082	24,106	17,968		-100.0%
FINANCE DEPARTMENT	323,626	209,042	220,642	231,085	4.7%
<b>Total Property Services</b>	<b>344,708</b>	<b>233,148</b>	<b>238,610</b>	<b>231,085</b>	<b>-3.2%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - TRAFFIC AND PARKING SERVICES				914	100.0%
FINANCE DEPARTMENT	33,700	46,925	46,782	40,032	-14.4%
<b>Total STORES - INTERNAL SERVICE</b>	<b>33,700</b>	<b>46,925</b>	<b>46,782</b>	<b>40,946</b>	<b>-12.5%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL & CLERK			29,764	31,580	6.1%
HUMAN RESOURCES			83,522	88,596	6.1%
<b>Total INFO TECH - INTERNAL SERVICE</b>			<b>113,286</b>	<b>120,176</b>	<b>6.1%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	509,200	461,948	491,608	476,531	-3.1%
HUMAN RESOURCES	65,100	60,606	64,872	52,849	-18.5%
FINANCE DEPARTMENT	61,200	65,599	59,039	68,826	16.6%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>635,500</b>	<b>588,153</b>	<b>615,519</b>	<b>598,206</b>	<b>-2.8%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,420,807</b>	<b>1,294,414</b>	<b>1,433,647</b>	<b>1,466,827</b>	<b>2.3%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>ENTERPRISE</u></b>					
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					
SURFACE WATER & SEWERS-SANITARY	145,300	26,315	101,769	118,203	16.1%
CAPITAL IMPROVEMENTS				27,091	100.0%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>145,300</b>	<b>26,315</b>	<b>101,769</b>	<b>145,294</b>	<b>42.8%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
SURFACE WATER & SEWERS-STORMWATR	341,500	311,830	263,051	284,070	8.0%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>341,500</b>	<b>311,830</b>	<b>263,051</b>	<b>284,070</b>	<b>8.0%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	774,399	759,727	789,306	874,513	10.8%
<b>Total WATER - ENTERPRISE</b>	<b>774,399</b>	<b>759,727</b>	<b>789,306</b>	<b>874,513</b>	<b>10.8%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	185,400	247,106	266,973	359,900	34.8%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>185,400</b>	<b>247,106</b>	<b>266,973</b>	<b>359,900</b>	<b>34.8%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	299,581	300,654	287,518	336,896	17.2%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>299,581</b>	<b>300,654</b>	<b>287,518</b>	<b>336,896</b>	<b>17.2%</b>
<b>TOTAL ENTERPRISE</b>	<b>1,746,180</b>	<b>1,645,631</b>	<b>1,708,617</b>	<b>2,000,673</b>	<b>17.1%</b>
<b>TOTAL ALL FUNDS</b>	<b>22,931,643</b>	<b>21,945,499</b>	<b>23,486,244</b>	<b>24,316,942</b>	<b>3.5%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR		97			0.0%
CITY COUNCIL & CLERK	60				0.0%
FIRE	3,094,762	2,973,329	3,088,067	3,528,252	14.3%
CIVIL RIGHTS	140				0.0%
MAYOR	12,328	7,474	9,622	9,406	-2.2%
POLICE	4,446,936	4,201,793	4,987,961	4,133,437	-17.1%
REGULATORY SERVICES	529,930	853,227	991,499	825,762	-16.7%
HEALTH AND FAMILY SUPPORT	20,691				0.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	25,824	31,810	29,153	30,377	4.2%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	7,756,671	10,589,644	8,639,930	8,482,996	-1.8%
PW - ADMINISTRATIVE SERVICES	12,076	9,480	10,752	13,103	21.9%
PW - TRAFFIC AND PARKING SERVICES	682,597	655,727	682,076	721,344	5.8%
911	1,562	292	3,310		-100.0%
CITY COORDINATOR	40				0.0%
COMMUNICATIONS	60				0.0%
EMERGENCY MANAGEMENT		37,028	28,495	37,077	30.1%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	11,046	11,690	11,506	12,748	10.8%
<b>Total GENERAL FUND</b>	<b>16,594,724</b>	<b>19,371,591</b>	<b>18,482,371</b>	<b>17,794,501</b>	<b>-3.7%</b>
<b>TOTAL GENERAL</b>	<b>16,594,724</b>	<b>19,371,591</b>	<b>18,482,371</b>	<b>17,794,501</b>	<b>-3.7%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	6,307	7,521	11,907	9,000	-24.4%
<b>Total CPED OPERATING</b>	<b>6,307</b>	<b>7,521</b>	<b>11,907</b>	<b>9,000</b>	<b>-24.4%</b>
<b>POLICE DEPT - SPECIAL REVENUE</b>					
POLICE	196,141	84,569	153,269	138,167	-9.9%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>196,141</b>	<b>84,569</b>	<b>153,269</b>	<b>138,167</b>	<b>-9.9%</b>
<b>GRANTS - FEDERAL</b>					
FIRE	957	1,890			0.0%
POLICE		65,008	3,081		-100.0%
FINANCE DEPARTMENT		603			0.0%
<b>Total GRANTS - FEDERAL</b>	<b>957</b>	<b>67,501</b>	<b>3,081</b>		<b>-100.0%</b>
<b>CDBG &amp; UDAG FUNDS</b>					
FINANCE DEPARTMENT	20				0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>20</b>				<b>0.0%</b>



**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>GRANTS - OTHER</u></b>					
POLICE	76,054	6,330			0.0%
<b>Total GRANTS - OTHER</b>	<b>76,054</b>	<b>6,330</b>			<b>0.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	12,527	7,755	12,663	10,768	-15.0%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>12,527</b>	<b>7,755</b>	<b>12,663</b>	<b>10,768</b>	<b>-15.0%</b>
<b><u>Regulatory Services Special Revenue Fund</u></b>					
REGULATORY SERVICES				70,843	0.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>70,843</b>	<b>0.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
PARK BOARD	37,451	66,449	25,140	102,233	306.7%
<b>Total PARK - GENERAL FUND</b>	<b>37,451</b>	<b>66,449</b>	<b>25,140</b>	<b>102,233</b>	<b>306.7%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	4,322	2,473	3,103	3,212	3.5%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>4,322</b>	<b>2,473</b>	<b>3,103</b>	<b>3,212</b>	<b>3.5%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>333,779</b>	<b>242,598</b>	<b>209,163</b>	<b>334,223</b>	<b>59.8%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	37,250	37,738	35,626	54,461	52.9%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	16,571	21,289	19,549	22,171	13.4%
CAPITAL IMPROVEMENTS	3,341,918	3,065,662			0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>3,395,739</b>	<b>3,124,689</b>	<b>55,175</b>	<b>76,632</b>	<b>38.9%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
PARK BD - CAP IMPROV	65	12,117			0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>65</b>	<b>12,117</b>			<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>3,395,804</b>	<b>3,136,806</b>	<b>55,175</b>	<b>76,632</b>	<b>38.9%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	22,055	23,564	25,413	24,793	-2.4%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>22,055</b>	<b>23,564</b>	<b>25,413</b>	<b>24,793</b>	<b>-2.4%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET			7,374,949	7,307,857	-0.9%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>			<b>7,374,949</b>	<b>7,307,857</b>	<b>-0.9%</b>
<b><u>Property Services</u></b>					
PW - PROPERTY SERVICES	39,460	63,754	49,367		-100.0%
FINANCE DEPARTMENT	55,052	171,205	198,581	181,267	-8.7%
<b>Total Property Services</b>	<b>94,512</b>	<b>234,959</b>	<b>247,948</b>	<b>181,267</b>	<b>-26.9%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - TRAFFIC AND PARKING SERVICES		1,263	1,415	1,500	6.0%
FINANCE DEPARTMENT	5,233	4,322	5,432	5,623	3.5%
<b>Total STORES - INTERNAL SERVICE</b>	<b>5,233</b>	<b>5,584</b>	<b>6,847</b>	<b>7,123</b>	<b>4.0%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
BUSINESS INFORMATION SERVICES	9,142	10,277	11,140	7,046	-36.8%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>9,142</b>	<b>10,277</b>	<b>11,140</b>	<b>7,046</b>	<b>-36.8%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
PARK BOARD	399,333	476,591	603,461	710,040	17.7%
<b>Total PARK - INTERNAL SERVICE</b>	<b>399,333</b>	<b>476,591</b>	<b>603,461</b>	<b>710,040</b>	<b>17.7%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>530,275</b>	<b>750,976</b>	<b>8,269,758</b>	<b>8,238,126</b>	<b>-0.4%</b>
<b><u>ENTERPRISE</u></b>					
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					
SURFACE WATER & SEWERS-SANITARY	876,134	917,238	993,187	996,970	0.4%
CAPITAL IMPROVEMENTS	1,304,042	318,761			0.0%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>2,180,176</b>	<b>1,235,998</b>	<b>993,187</b>	<b>996,970</b>	<b>0.4%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	5,015,605	4,820,696	5,258,533	4,862,140	-7.5%
SURFACE WATER & SEWERS-STORMWATR	137,092	282,353	161,009	126,403	-21.5%
CAPITAL IMPROVEMENTS	882,282	1,095,908			0.0%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>6,034,979</b>	<b>6,198,958</b>	<b>5,419,542</b>	<b>4,988,543</b>	<b>-8.0%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	1,195,075	1,425,293	1,588,693	1,886,268	18.7%
CAPITAL IMPROVEMENTS	240,075	25,478			0.0%
<b>Total WATER - ENTERPRISE</b>	<b>1,435,149</b>	<b>1,450,771</b>	<b>1,588,693</b>	<b>1,886,268</b>	<b>18.7%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	73,677	98,129	65,133	88,227	35.5%

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>73,677</b>	<b>98,129</b>	<b>65,133</b>	<b>88,227</b>	<b>35.5%</b>
<b>SOLID WASTE - ENTERPRISE</b>					
PW - SOLID WASTE	565,322	649,537	686,619	802,327	16.9%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>565,322</b>	<b>649,537</b>	<b>686,619</b>	<b>802,327</b>	<b>16.9%</b>
<b>PARK - OPERATIONS - ENTERPRISE</b>					
PARK BOARD	1,724	2,288	7,978	4,498	-43.6%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>1,724</b>	<b>2,288</b>	<b>7,978</b>	<b>4,498</b>	<b>-43.6%</b>
<b>TOTAL ENTERPRISE</b>	<b>10,291,027</b>	<b>9,635,681</b>	<b>8,761,152</b>	<b>8,766,833</b>	<b>0.1%</b>
<b>TOTAL ALL FUNDS</b>	<b>31,145,610</b>	<b>33,137,652</b>	<b>35,777,619</b>	<b>35,210,316</b>	<b>-1.6%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	142,382	143,003	150,570	151,510	0.6%
ATTORNEY	4,244	268,005	243,200	225,500	-7.3%
CITY COUNCIL & CLERK	893,453	699,752	754,613	700,257	-7.2%
FIRE	1,251,812	1,178,919	1,109,667	1,131,726	2.0%
CIVIL RIGHTS	146,940	2,149	87,400	95,250	9.0%
MAYOR	143,318	126,056	135,550	125,750	-7.2%
POLICE	2,790,332	2,791,789	2,962,369	2,814,860	-5.0%
REGULATORY SERVICES	844,184	771,745	626,830	867,821	38.4%
HEALTH AND FAMILY SUPPORT	249,440	233,828	215,731	185,601	-14.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	24,245	44,846	39,445	36,287	-8.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	475,954	434,357	484,435	481,631	-0.6%
PW - ADMINISTRATIVE SERVICES	131,896	104,113	155,966	109,042	-30.1%
PW - TRAFFIC AND PARKING SERVICES	173,646	118,521	221,842	158,960	-28.3%
HUMAN RESOURCES	201,011	184,827	176,690	173,548	-1.8%
FINANCE DEPARTMENT	667,902	604,396	640,398	603,860	-5.7%
911	324,234	285,646	306,750	285,050	-7.1%
311	83,021	80,987	85,594	87,210	1.9%
CITY COORDINATOR	81,492	71,107	85,897	80,001	-6.9%
INTERGOVERNMENTAL RELATIONS	61,393	53,611	57,550	53,600	-6.9%
COMMUNICATIONS	137,553	119,997	130,500	118,599	-9.1%
INTERNAL AUDIT			19,253	23,400	21.5%
EMERGENCY MANAGEMENT		21,858	31,866	66,627	109.1%
NEIGHBORHOOD & COMMUNITY RELATIONS			700	375	-46.4%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	86,247	83,327	73,528		-100.0%
<b>Total GENERAL FUND</b>	<b>8,914,699</b>	<b>8,422,840</b>	<b>8,796,344</b>	<b>8,576,464</b>	<b>-2.5%</b>
<b>TOTAL GENERAL</b>	<b>8,914,699</b>	<b>8,422,840</b>	<b>8,796,344</b>	<b>8,576,464</b>	<b>-2.5%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	9,618	8,376	10,750	(9,894)	-192.0%
<b>Total CPED OPERATING</b>	<b>9,618</b>	<b>8,376</b>	<b>10,750</b>	<b>(9,894)</b>	<b>-192.0%</b>
<b>BOARD OF ESTIMATE AND TAXATION</b>					
BOARD OF ESTIMATE & TAXATION		9,245	4,000	4,000	0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>		<b>9,245</b>	<b>4,000</b>	<b>4,000</b>	<b>0.0%</b>
<b>GRANTS - OTHER</b>					
REGULATORY SERVICES			186,730		-100.0%
<b>Total GRANTS - OTHER</b>			<b>186,730</b>		<b>-100.0%</b>
<b>CONVENTION CENTER OPERATIONS</b>					
CONVENTION CENTER	7,762	7,487	10,411	10,278	-1.3%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>7,762</b>	<b>7,487</b>	<b>10,411</b>	<b>10,278</b>	<b>-1.3%</b>
<b>NCR - SPECIAL REVENUE</b>					
NEIGHBORHOOD & COMMUNITY RELATIONS				375	100.0%
<b>Total NCR - SPECIAL REVENUE</b>				<b>375</b>	<b>100.0%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>Regulatory Services Special Revenue Fund</u></b>					
REGULATORY SERVICES				86,138	100.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>86,138</b>	<b>100.0%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	27,819				
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>27,819</b>				
<b>TOTAL SPECIAL REVENUE</b>	<b>45,199</b>	<b>25,108</b>	<b>211,891</b>	<b>90,897</b>	<b>-57.1%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	177,463	178,086	191,814	176,759	-7.8%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	54,004				
CAPITAL IMPROVEMENTS	62,869	164,240	81,574		-100.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>294,336</b>	<b>342,326</b>	<b>273,388</b>	<b>176,759</b>	<b>-35.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>294,336</b>	<b>342,326</b>	<b>273,388</b>	<b>176,759</b>	<b>-35.3%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	61,273	6,276	6,102	6,909	13.2%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>61,273</b>	<b>6,276</b>	<b>6,102</b>	<b>6,909</b>	<b>13.2%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	1,072,367	1,103,052	1,089,672	965,350	-11.4%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>1,072,367</b>	<b>1,103,052</b>	<b>1,089,672</b>	<b>965,350</b>	<b>-11.4%</b>
<b><u>Property Services</u></b>					
FINANCE DEPARTMENT		(0)	550,468	593,518	7.8%
<b>Total Property Services</b>		<b>(0)</b>	<b>550,468</b>	<b>593,518</b>	<b>7.8%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
FINANCE DEPARTMENT	34,054	43,423	41,700	37,805	-9.3%
<b>Total STORES - INTERNAL SERVICE</b>	<b>34,054</b>	<b>43,423</b>	<b>41,700</b>	<b>37,805</b>	<b>-9.3%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL & CLERK	4,335	84,543	61,787	76,443	23.7%
BUSINESS INFORMATION SERVICES	158,203	137,511	147,200	127,121	-13.6%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>162,538</b>	<b>222,054</b>	<b>208,987</b>	<b>203,564</b>	<b>-2.6%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	1,570	181,635	243,200	225,500	-7.3%
FINANCE DEPARTMENT			661		-100.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>1,570</b>	<b>181,635</b>	<b>243,861</b>	<b>225,500</b>	<b>-7.5%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,331,802</b>	<b>1,556,439</b>	<b>2,140,790</b>	<b>2,032,646</b>	<b>-5.1%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>ENTERPRISE</u></b>					
<b><u>SURFACE WATER &amp; SEWER-SANITARY</u></b>					
SURFACE WATER & SEWERS-SANITARY	83,886	94,177	92,885	88,908	-4.3%
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>83,886</b>	<b>94,177</b>	<b>92,885</b>	<b>88,908</b>	<b>-4.3%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
SURFACE WATER & SEWERS-STORMWATR	128,858	129,048	143,101	120,554	-15.8%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>128,858</b>	<b>129,048</b>	<b>143,101</b>	<b>120,554</b>	<b>-15.8%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	107,454	92,043	96,789	98,098	1.4%
<b>Total WATER - ENTERPRISE</b>	<b>107,454</b>	<b>92,043</b>	<b>96,789</b>	<b>98,098</b>	<b>1.4%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	94,495	97,685	71,848	100,500	39.9%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>94,495</b>	<b>97,685</b>	<b>71,848</b>	<b>100,500</b>	<b>39.9%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	200,664	215,098	245,560	253,181	3.1%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>200,664</b>	<b>215,098</b>	<b>245,560</b>	<b>253,181</b>	<b>3.1%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
PARK BOARD	398				
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>398</b>				
<b>TOTAL ENTERPRISE</b>	<b>615,754</b>	<b>628,051</b>	<b>650,183</b>	<b>661,241</b>	<b>1.7%</b>
<b>TOTAL ALL FUNDS</b>	<b>11,201,791</b>	<b>10,974,765</b>	<b>12,072,596</b>	<b>11,538,007</b>	<b>-4.4%</b>

**SCHEDULE THIRTEEN  
COST OF CITY HALL SPACE**

*Note: In previous years, Schedule 13 was for informational purposes only. For the 2009 budget, the Mayor recommended a citywide rate for rent be developed and Council approved the Mayor's recommendation. The Council Revised budget process did not change the adopted rate for rent. The result is budgetary neutral. The total amount is based on the Municipal Building Commission property tax levy for 2009.*

Department	2010 Adopted Budget		2011 Adopted Budget		2012 Adopted Budget	
	Billable Square Foot	Potential Annual Rental Charge	Billable Square Foot	Potential Annual Rental Charge	Billable Square Foot	Potential Annual Rental Charge
911	13,827	294,559	19,634	302,000	19,634	280,000
Attorney	21,733	462,981	31,083	479,000	31,082	443,000
Board of Estimate & Taxation	447	9,523	258	4,000	258	4,000
Business Information Services	6,440	137,192	9,144	141,000	6,348	91,000
City Clerk	22,461	478,490	52,266	805,000	53,570	764,000
City Clerk Elections	2,371	50,510	-	-	-	-
City Coordinator	3,402	72,473	6,716	103,000	5,466	78,000
City Council	13,038	277,750	-	-	-	-
Civil Rights	-	-	5,508	85,000	6,507	93,000
Communications	5,766	122,834	8,313	128,000	8,141	116,000
Community Planning and Economic Development	1,111	23,668	653	10,000	653	9,000
Finance	21,730	462,917	30,582	471,000	30,280	432,000
Fire	6,830	145,500	11,996	106,000	6,422	92,000
Grants and Special Projects	2,556	54,451	3,630	56,000	3,630	52,000
Health & Family Support	1,160	24,712	1,647	25,000	-	-
Human Resources	781	16,638	-	-	-	-
Internal Audit	-	-	-	-	1,610	23,000
Mayor	6,059	129,076	8,604	133,000	8,604	123,000
Police	50,876	1,083,819	72,937	1,123,000	72,939	1,040,000
Public Works - Administrative Services	4,458	94,969	9,219	142,000	6,372	91,000
Public Works - Property Services*	17,738	377,875	13,714	291,000	26,736	380,000
Public Works - Traffic & Parking Services	-	-	594	9,000	736	10,000
Regulatory Services	4,853	103,384	6,891	106,000	6,891	98,000
<b>Total</b>	<b>207,637</b>	<b>\$ 4,423,321</b>	<b>293,389</b>	<b>\$ 4,519,000</b>	<b>295,879</b>	<b>\$ 4,219,000</b>

\*Includes vacant space

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b><u>SPECIAL REVENUE</u></b>					
<b><u>CPED OPERATING</u></b>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,921,782	2,918,857	2,260,251	2,297,079	1.6%
<b>Total CPED OPERATING</b>	<b>2,921,782</b>	<b>2,918,857</b>	<b>2,260,251</b>	<b>2,297,079</b>	<b>1.6%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	10,000	5,000	3,678	1,854	-49.6%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>10,000</b>	<b>5,000</b>	<b>3,678</b>	<b>1,854</b>	<b>-49.6%</b>
<b><u>GRANTS - OTHER</u></b>					
REGULATORY SERVICES			302,470		-100.0%
<b>Total GRANTS - OTHER</b>			<b>302,470</b>		<b>-100.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	1,500,000	1,566,010	1,443,655	1,370,084	-5.1%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>1,500,000</b>	<b>1,566,010</b>	<b>1,443,655</b>	<b>1,370,084</b>	<b>-5.1%</b>
<b><u>NCR - SPECIAL REVENUE</u></b>					
NEIGHBORHOOD & COMMUNITY RELATIONS			97,755	101,685	4.0%
<b>Total NCR - SPECIAL REVENUE</b>			<b>97,755</b>	<b>101,685</b>	<b>4.0%</b>
<b><u>Regulatory Services Special Revenue Fund</u></b>					
REGULATORY SERVICES				169,812	0.0%
<b>Total Regulatory Services Special Revenue Fund</b>				<b>169,812</b>	<b>0.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
PARK BOARD	828,252	861,382	895,837	931,670	4.0%
<b>Total PARK - GENERAL FUND</b>	<b>828,252</b>	<b>861,382</b>	<b>895,837</b>	<b>931,670</b>	<b>4.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	46,000	46,800	48,672	50,619	4.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>46,000</b>	<b>46,800</b>	<b>48,672</b>	<b>50,619</b>	<b>4.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>5,306,034</b>	<b>5,398,049</b>	<b>5,052,318</b>	<b>4,922,803</b>	<b>-2.6%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	87,049	50,768	34,672	34,251	-1.2%
CAPITAL IMPROVEMENTS	1,677,932	1,497,755	1,024,577	1,012,150	-1.2%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>1,764,981</b>	<b>1,548,523</b>	<b>1,059,249</b>	<b>1,046,401</b>	<b>-1.2%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					



**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
CAPITAL IMPROVEMENTS	44,381	44,381			0.0%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>44,381</b>	<b>44,381</b>			<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>1,809,362</b>	<b>1,592,904</b>	<b>1,059,249</b>	<b>1,046,401</b>	<b>-1.2%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	153,000	229,273	176,419	187,773	6.4%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>153,000</b>	<b>229,273</b>	<b>176,419</b>	<b>187,773</b>	<b>6.4%</b>

**EQUIPMENT - INTERNAL SERVICE**

PW - FLEET	852,000	915,076	1,034,892	1,362,894	31.7%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>852,000</b>	<b>915,076</b>	<b>1,034,892</b>	<b>1,362,894</b>	<b>31.7%</b>

**Property Services**

FINANCE DEPARTMENT	478,019	591,905	721,175	500,804	-30.6%
<b>Total Property Services</b>	<b>478,019</b>	<b>591,905</b>	<b>721,175</b>	<b>500,804</b>	<b>-30.6%</b>

**STORES - INTERNAL SERVICE**

PW - TRAFFIC AND PARKING SERVICES	82,000	87,525	64,634	65,491	1.3%
FINANCE DEPARTMENT	164,000	176,148	130,078	131,802	1.3%
<b>Total STORES - INTERNAL SERVICE</b>	<b>246,000</b>	<b>263,673</b>	<b>194,712</b>	<b>197,293</b>	<b>1.3%</b>

**INFO TECH - INTERNAL SERVICE**

CITY COUNCIL & CLERK		265	350	350	0.0%
BUSINESS INFORMATION SERVICES	536,000	780,555	1,030,576	1,177,021	14.2%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>536,000</b>	<b>780,820</b>	<b>1,030,926</b>	<b>1,177,371</b>	<b>14.2%</b>

**SELF INSURANCE-INTERNAL SVC**

ATTORNEY	131,000	537,452	354,568	329,401	-7.1%
HUMAN RESOURCES	30,000	121,960	80,459	74,727	-7.1%
FINANCE DEPARTMENT	53,000	216,518	142,841	132,705	-7.1%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>214,000</b>	<b>875,930</b>	<b>577,868</b>	<b>536,834</b>	<b>-7.1%</b>

<b>TOTAL INTERNAL SERVICE</b>	<b>2,479,019</b>	<b>3,656,677</b>	<b>3,735,992</b>	<b>3,962,969</b>	<b>6.1%</b>
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**ENTERPRISE**

**SURFACE WATER & SEWER-SANITARY**

SURFACE WATER & SEWERS-SANITARY	1,890,356	1,784,288	2,223,068	2,350,040	5.7%
CAPITAL IMPROVEMENTS	311,644	241,246			0.0%

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2009 Actual	2010 Actual	2011 Revised	2012 Council Adopted	% change
<b>Total SURFACE WATER &amp; SEWER-SANITARY</b>	<b>2,202,000</b>	<b>2,025,534</b>	<b>2,223,068</b>	<b>2,350,040</b>	<b>5.7%</b>
<b><u>SURFACE WATER &amp; SEWER-STORMWATER</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	248,000	332,132	300,143	297,670	-0.8%
SURFACE WATER & SEWERS-STORMWATR	1,081,442	1,417,904	1,566,698	1,803,067	15.1%
CAPITAL IMPROVEMENTS	192,558	295,063			0.0%
<b>Total SURFACE WATER &amp; SEWER-STORMWATER</b>	<b>1,522,000</b>	<b>2,045,099</b>	<b>1,866,841</b>	<b>2,100,737</b>	<b>12.5%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	4,063,884	3,708,689	2,707,706	3,496,497	29.1%
CAPITAL IMPROVEMENTS	781,116	191,704			0.0%
<b>Total WATER - ENTERPRISE</b>	<b>4,845,000</b>	<b>3,900,394</b>	<b>2,707,706</b>	<b>3,496,497</b>	<b>29.1%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING SERVICES	1,492,000	1,417,840	1,140,787	1,270,083	11.3%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>1,492,000</b>	<b>1,417,840</b>	<b>1,140,787</b>	<b>1,270,083</b>	<b>11.3%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	2,867,000	2,664,765	2,755,024	2,229,908	-19.1%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>2,867,000</b>	<b>2,664,765</b>	<b>2,755,024</b>	<b>2,229,908</b>	<b>-19.1%</b>
<b>TOTAL ENTERPRISE</b>	<b>12,928,000</b>	<b>12,053,632</b>	<b>10,693,426</b>	<b>11,447,265</b>	<b>7.0%</b>
<b>TOTAL ALL FUNDS</b>	<b>22,522,415</b>	<b>22,701,262</b>	<b>20,540,985</b>	<b>21,379,438</b>	<b>4.1%</b>

# City of Minneapolis 2012 Budget

## Glossary of Terms

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**AC** – Animal Control.

**Access and Outreach Division** – division of Neighborhood & Community Relations department that facilitates access for deaf/hard of hearing communities.

**Accrual Basis of Accounting** – Recognizes transactions when they occur regardless of the related cash flows. Recognizes revenues in the accounting period in which they are earned and measurable.

**ACH** – Automated Clearing House.

**Actuarial Accrued Liability** – Term used in connection with defined benefit pension and other post-employment benefit plans to describe that portion of the present value of benefits promised to employees that will not be provided through future normal cost.

**Actuarial Assumptions** – Term used in connection with defined benefit pension and other post-employment benefit plans to describe assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (e.g., mortality).

**Actuarial Value of Assets** – Term used in connection with defined benefit pension and other post-employment benefit plans. The value assigned to plan assets for actuarial purposes. Because this value often represents an average over time, and because the valuation date may be different from the reporting date, the actuarial value of assets may differ from the amount reported in the financial statements as of the end of the fiscal period.

**Advance Refunding** – Transaction in which new debt is issued to refinance existing debt (old debt), but the proceeds must be placed in escrow pending call date or maturity (i.e., refunding in advance of redemption).

**ACN** – Automatic Collision Notification.

**ADA** – Americans with Disabilities Act.

**ADC** – Adult Detention Center, a Hennepin County facility in the City Hall/Courthouse.

**ADR** – Alternative Dispute Resolution program.

**AFSCME** – Association of Federal, State, County and Municipal Employees, bargaining unit.

**Agency** - This is the term for the highest organizational level, in most cases a city department or independent board.

**Agency Funds** – Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds.

**AHTF** – Affordable Housing Trust Fund.

**Appropriation** – Spending authority created by City Council resolutions that are signed into law with related revenue estimates, which includes all revenues, transfers, allocations, and other legally authorized budget changes. Appropriations expire at the end of the year unless action is taken by the Council (or delegated to the City finance officer) to reappropriate unspent balances.

**Arbitrage** – In government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher yielding taxable securities.

**Assessed Valuation** – Valuation set upon real estate or other property by a government as a basis for levying taxes.

**ASSM** – Assessments – improvements paid for partially or wholly by property owners.

**ASP** – Application Service Provider.

**Basis of Budgeting** – Method used to determine when revenues and expenditures are recognized for budgetary purposes.

**BCA** – Bureau of Criminal Apprehension.

**BET** – Board of Estimate and Taxation, consisting of the Mayor, the President of the City Council, the Chair of the City Council's Ways and Means/Budget Committee, one member of the Park and Recreation Board, and two elected citizens.

**BIS** – Business Information Services is directed to support Business Development, E-Government & Enterprise Information, Business Application and Technology Infrastructure Services (formerly ITS).

**BLOA** – Budgetary Leave of Absences. A term used to describe a type of unpaid leave.

**Board of Adjustment** – To hear and decide appeals from decisions made by the Zoning Administrator under the Zoning Code; to hear and act upon applications for variances from the terms of the Zoning Code; to hear and recommend on all matters referred to it by the Zoning Code. The Zoning Code calls for a board of nine members appointed by the City Council. Members must be Minneapolis residents. Members serve a three-year

term. Applications are sought from persons, and nominations solicited from organizations broadly representative of community interests.

**BOMA** – Building Owners and Managers Association, a private association.

**Bond Anticipation Note** – Short term, interest-bearing note issued by a government in anticipation of bond proceeds to be received at a later date. The note is retired from proceeds of the bonds to which it is related.

**Bonds** – General Obligation Bonds (GO Bonds): A bond secured by the “full faith and credit” of the issuing government and backed by taxing power.

**Budget Committee** – See Ways & Means/Budget Committee.

**Business-type Activities** – One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

**CAD** – Computer Aided Dispatch

**CAFR** – Comprehensive Annual Financial Report.

**CAMA** - Computer Assisted Mass Appraisal.

**CAO** – City Attorney’s Office.

**Capital Assets** – Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**Capital Improvement Plan (CIP)** – A five-year plan for proposed capital improvements. The first year of the CIP is formally adopted as the Capital Budget.

**Capital Program** – see Capital Improvement Plan (CIP).

**Capital Projects Funds** – Used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types.

**CAPR** – Consolidated Annual Performance Report

**Cash** – In the context of cash flows reporting, not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively

may withdraw cash at any time without proper notice or penalty.

**Cash Basis of Accounting** – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

**CBA** – Collective Bargaining Agreement.

**CBD** – Central Business District.

**CCP/SAFE** – Community Crime Prevention/Safety for Everyone, program of the Police Department.

**CCU** – Contract Compliance Unit

**CD** – Community Development, also a standing committee of the City Council.

**CDBG** – Community Development Block Grant. Grants provided to the City, based on its submitted consolidated plan. They are annual direct grants that can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

**CDC’s** – Community Development Corporations.

**CIO** – Chief Information Officer.

**CCS** – Construction Code Services, a division of Regulatory Services.

**CIU** – Complaint Investigations Unit

**Claims** – Requests for reimbursement for damages resulting from fault or liability of the City.

**Class A** – Newer buildings in the Central Business District in first class condition, design and décor. Large and/or tall in size with mostly multiple skyway (enclosed pedestrian bridge) linkage.

**Class B** – Seasoned buildings in good condition in the Central Business District and generally over ten years old. Mid-rise in size and may include skyway (enclosed pedestrian bridge) linkage.

**Classification Rate** – The percentage set by State statute that is applied to the market value of each property to arrive at the tax capacity.

**CLIC** – Capital Long-Range Improvement Committee - a committee of 33 private residents appointed by the 13 Council members (2 per ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

**CMS** – Case Management System (City Attorney’s Office).

**COLA** – Cost of Living Adjustment.

**COMPASS** – The City's implementation of Oracle's PeopleSoft Financial Systems Enterprise Resource Planning, which replaced FISCOL.

**Community Innovation Fund** – Provides grants to officially designated neighborhood organizations to seek out innovative and locally-relevant approaches to City-identified goals or problems.

**Component Unit** – Legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**Conduit Debt** – Certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

**Contingency** – Budget for undesignated expenditures. These expenditures cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. These funds are earmarked for emergency or unanticipated expenses, special projects or shortfalls in revenue. The release of these funds is governed by the City Council.

**Contractual Services** – The summary expense category, which displays expenses such as contracts for service, quasi-contractual arrangement such as utilities, or services billed by another unit of government.

**CPED** – Community Planning and Economic Development Department. CPED is directed to oversee and coordinate all City planning and development activity.

**CPC** – City Planning Commission.

**CPI** – Consumer Price Index.

**CRA** – Civilian Review Authority.

**CSA** – County-State Aid, received by the City for work done on County roads.

**CSAH** – County State Aid Highways.

**CRM** – Customer Relationship Management.

**CSO** – Combined Sewer Overflow, which separates the remaining storm sewer lines that are connected to sanitary sewer lines. (Public Works)

**CSO** – Community Service Officer. (Police Department)

**CY** - Calendar Year or Current Year.

**DAP** – Domestic Abuse Project, a community non-profit.

**DARE** – Drug Abuse Resistance Education.

**DAPT** – Domestic Abuse Prosecution Team, in the City Attorney's office.

**DC** – Deputy Chief.

**DEA** – Drug Enforcement Administration.

**Debt Service** – Money that is required in order to make payments on the principal and interest of outstanding bonds.

**Debt Service Funds** – Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest and related costs.

**Defined Benefit Pension Plan** – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service and compensation.

**Direct Expense** – Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

**DNR** – Department of Natural Resources, a state government agency.

**DEED** – Department of Employment and Economic Development, state government agency.

**Duration** – In the context of investment disclosure, a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

**EAP** – Employee Assistance Program.

**EEOC** – Equal Employment Opportunities Commission, of the federal government.

**EIM** - Enterprise Information Management.

**EMIS** – Equipment Management Information System.

**Employer Contributions** – Term used in the context of pension and other post-employment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer.

(Only amounts paid to trustees and outside parties qualify.)

**EMS** – Emergency Medical Services.

**EMT** – Emergency Medical Technician, employed in the Fire Department.

**EOTF** – Emergency Operations Training Facility

**Encumbrances** – Commitments related to unperformed (executable) contracts for goods or services. For financial reporting purposes, encumbrance accounting is restricted to governmental funds.

**Enterprise Bonds/Revenue** – Bonds related to Sewer, Water and Parking enterprises of the City. Debt Service is paid for by user fees charged for these enterprise services. Enterprise revenues are “Pay as you go” sources anticipated to be available in the enterprise funds.

**Enterprise Funds** – Used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges.

**Equivalent Stormwater Unit (ESU)** - The stormwater utility fee is based on impervious area and is charged on a per unit basis. Each ESU (Equivalent Stormwater Unit) is 1,530 square feet of impervious area on a property.

**Expenditure** – Funds paid, or designated to be paid, for an asset or goods and services.

**FEMA** – Federal Emergency Management Agency.

**Fiduciary Funds** – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government’s own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Final Amended Budget** – Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized. Also referred to as current budget or amended budget.

**Fiscal Disparities** – Fiscal disparities is a law by which commercial-industrial tax base growth is shared annually among metropolitan taxing jurisdictions according to a statutory formula.

**Formula Grants** – Government-mandated or voluntary non-exchange transactions involving the provision of resources based upon established criteria (e.g., number of full-time equivalent students) other than the incurrence of qualifying expenditures (also referred to as “shared revenues”).

**FSAM** – Facilities Space & Asset Management. This committee includes the City Coordinator (Co-chair), City Engineer (Co-chair), two department heads, Director of Management and Budget, Facility Manager/Staff, Space and Asset Manager/Staff.

**FTE (Full Time Equivalent)** – A unit of measurement to account for the number of positions authorized to departments.

**Fund** – A major accounting vehicle used by the city to account for revenues, expenditures, assets, and liabilities of major sectors of city activities as established by legal requirements.

**Fund Balance** – Difference between assets and liabilities reported in a governmental fund.

**Fund Classifications** – One of the three categories (governmental, proprietary, and fiduciary) used to classify fund types.

**Fund Financial Statements** – Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

**Fund Summary** – A budgetary document that summarizes on an annual basis the activities of a city fund. It compares revenues with expenditures on an annual basis. This budget fund summary may not be the same as the audited financial statement since the fund summary includes only resources which are available to pay expenses of the fund (i.e., excludes inventory and depreciation) during the current year.

**Fund Type** – One of eleven classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Funded Ratio** – In the context of defined benefit pension and other post-employment benefit plans, the actuarial value of assets expressed as a percentage of the actuarial accrued liability.

**FY** – Fiscal Year.

**GAAP** – Generally Accepted Accounting Principles.

**GASB** – Governmental Accounting Standards Board.

**General Fund** – The general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**General Obligation Debt** – General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

**GFOA** – Government Finance Officers Association, the professional association of Finance professionals in the public sector.

**GIS** – Geographical Information Systems, a division of Business Information Services.

**GMCVA** – Greater Minneapolis Convention and Visitor's Association, now called Meet Minneapolis.

**GMMHC** – Greater Minneapolis Metropolitan Housing Corporation.

**Governmental Activities** – Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

**Governmental Entity** – For accounting and financial reporting purposes, an entity subject to the hierarchy of GAAP applicable to state and local governmental unity.

**Governmental Funds** – Used to account for functions of the City principally supported by taxes and intergovernmental revenues.

**Government-wide Financial Statements** – Financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities.

**HC** – Hennepin County, the county where the City of Minneapolis is located.

**HCRRRA** – Hennepin County Regional Railroad Authority.

**HIS** – Housing Inspection Services.

**HPC** – Heritage Preservation Commission.

**HOLLMAN DECREE** – The Hollman Consent Decree is a 1995 lawsuit settlement (to which the City, MCDA, & MPHA were parties) designed to provide public housing in a full range of metropolitan communities, beyond the core city, in order to improve housing choice for public housing residents. Heritage Park was the resulting development.

**HOME** – Home Investment Partnerships Program, a U.S. Department of Housing and Urban Development grant program.

**HOPWA** – Housing Opportunities for People With Aids, a U.S. Department of Housing and Urban Development grant program.

**HRA** – Housing Redevelopment Authority.

**HRG** – Human Resources Generalist.

**HRIS** – Human Resources Information System.

**HUD** – U.S. Department of Housing and Development, a federal government agency.

**ICMA** – International City/County Managers Association.

**IDIS** – Integrated Disbursement and Information Systems

**IDSS** – Internet Destination Sales System, a venture of Meet Minneapolis

**IGR** – Intergovernmental Relations.

**Improvement** – Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

**Indirect Expenses** – Expenses that cannot be specifically associated with a given service, program or department and thus, cannot be clearly associated with a particular functional category.

**Industrial Revenue Bond** - Bond proceeds are used to finance the purchase or construction of facilities or equipment to be leased to a private corporation. The bonds are backed by the revenue generated by the lease payment and ultimately by the credit of the corporation.

**Infrastructure** – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

**IRS** – Internal Revenue Service.

**Interfund Activity** – Activity between funds of the primary government, included blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal.

**Interfund Loans** – Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

**Interfund Transfers** – Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

**Internal Service Funds** – Funds used to account for those City services which are financed and operated in a manner similar to private business enterprises and the customer is other City departments instead of the public.

**IS Architecture** – Information Systems Architecture.

**IWR** – Utility Billing's Interactive Web Response application.

**JP** – Joint Powers.

**LAN** – Local Area Network.

**LCPR** – Legislative Commission on Pensions and Retirement, a committee of the Minnesota Legislature.

**LCTS** – Long-term Collaborative Time Study, a funding program through the State and Hennepin County for the department of Health and Family Support.

**LED Light** - Light Emitting Diode (found in pedestrian signal cross lights for example).

**Legal Debt Margin** – Excess of the amount of debt legally authorized over the amount of debt outstanding.

**Legal Level of Budgetary Control** – Level at which a government's management may not reallocate resources without special approval from the legislative body.

**LGA** – Local Government Aid.

**LMC** – League of Minnesota Cities.

**LMV** - Limited Market Value. A limitation on the amount that a property's market value may grow from one year to the next for purposes of property taxation. It was enacted to help mitigate rising property taxes resulting from rapidly inflating property values. The program was eliminated in 2010.

**MAC** – Metropolitan Airports Commission, the independent body which runs the regions' airports.

**Major Fund** – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that the fund is particularly important to financial statement users.

**Market Value** – The estimated amount as determined by the City Assessor that a willing seller and a willing buyer would agree upon for a piece of property.

**Mayor's Recommendation** – The recommended annual budget by the Mayor as required by the City Charter.

**MBC** – Municipal Building Commission, a component unit of the City which operates the City Hall/Courthouse Building.

**MCC** – Minneapolis Convention Center.

**MCCR** – Minneapolis Commission on Civil Rights.

**MDCR** – Minneapolis Department of Civil Rights.

**MDHFS** – Minneapolis Department of Health and Family Support.

**Meet Minneapolis** – Official Convention and Visitor's Association.

**MERF** – Minneapolis Employee Retirement Fund, a closed retirement plan for general City employees that merged with the statewide plan.

**METP** – Minneapolis Employment and Training Program.

**Metropolitan Council** – Regional government of the 7 county metro area.

**MFD** – Minneapolis Fire Department.

**MFRA** – Minneapolis Firefighter's Relief Association, a retirement plan for firefighters that is closed to new members.

**MHFA** – Minnesota Housing Finance Agency, state government agency.

**MLSS** – Mechanical Life and Safety Systems.

**MMRS** – Metropolitan Medical Response System.

**Minneapolis 311** – Serves as the single point of contact to the City for all non-emergency requests for information and services, which simplifies citizen access to city services and information; enables city employees to deliver services more effectively; tracks requests for service delivery from inception to completion; and provides access to city services by voice, e-mail and the web.

**Modified Accrual Accounting** – Recognizes expenses in the accounting period in which they are incurred and measurable. Recognizes revenues in the accounting period in which they are measurable and available.

**MPD** – Minneapolis Police Department.



**MPHA** – Minneapolis Public Housing Authority, the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis.

**MPRA** – Minneapolis Police Relief Association, a retirement plan for police officers that is closed to new members.

**MPRB** – Minneapolis Park and Recreation Board, a directly elected body.

**MRI** – Municipal Refuse Incorporated, provider of solid waste disposal in parts of Minneapolis.

**MSA** – Municipal State Aid – refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

**MUPS** – Municipal Utility and Package System.

**MVNA** – Minneapolis Visiting Nurse's Association, a community non-profit.

**NAMC** – National Association of Minority Contractors.

**NCIC** – National Crime Information Center.

**NCEC** – Neighborhood and Community Engagement Commission

**NCR** – Neighborhood and Community Relations.

**NDB** – Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

**Net Tax Levy** – This is the total tax levy (including fiscal disparities). The net tax levy is now the certified tax levy as required by a change in state law.

**NFPA** – National Fire Protection Association, accreditation organization for Fire Departments.

**NIP** – Neighborhood Initiatives Program of CPED.

**NLC** – National League of Cities.

**NON APPROP** – Non Appropriated – reflects cost participation from County, State or Federal dollars and usually on these types of projects, the City of Minneapolis is not the lead agency.

**Normal Cost** – In the context of defined benefit pension and other post-employment benefit plans, that portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.

**NRP** – Neighborhood Revitalization Program, established in 1990, a joint powers agreement of the City to undertake neighborhood programs.

**NSP Fund** – Neighborhood Stabilization Program Fund

**Operating Activities** – Term used in connection with cash flows reporting. Operating activities generally results from providing services and producing and delivering goods, and include all transactions and other events that are not defined as capital and related financing, non-capital financing, or investing activities.

**Operating Budget** – Financial plan that allows City departments to maintain adequate service levels at reasonable costs by following sound financial management practices. Each City department prepares its own budget for review by the Mayor to assist the Mayor in preparing a budget recommendation for the City Council. A department's Operating Budget authorizes designated spending, revenue, and personnel levels.

**Operating Revenues and Expenses** – Cost of goods sold and services provided to customers and the revenue thus generated.

**Operating Tax Funds** – Those funds at least partially financed by property taxes, which support the normal functions of city government. They include the General fund, Board of Estimate and Taxation fund, Municipal Building Commission fund, and the Park Tax funds.

**Original Budget** – First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

**Original/Current Appropriation** – The amount of money allocated by the respective governing body for the budgeted year. The original appropriation is the amount approved at the time the budget was initially adopted. The current appropriation is the original budget as amended to reflect any approved changes.

**OSA** – Office of the State Auditor.

**OSHA** – Occupational Safety and Health Administration, of the federal government.

**Other Post-Employment Benefits (OPEB)** – Post-employment benefits other than pension benefits. Other post-employment benefits (OPEB) include post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan,

excluding benefits defined as termination offers and benefits.

**Outcome Measures** – In the context of service efforts and accomplishments reporting, indicators that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measures of public perceptions of outcomes.

**Own-source Revenues** – Revenues that are generated by a government itself (e.g., tax revenues; water and sewer charges; investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

**Pass-through Grants** – Grants and other financial assistance received by a governmental entity to transfer to, or spend on behalf of, a secondary recipient.

**PAVER** – Pavement Management System software application that computes the Pavement Condition Index (PCI) of roads and parking lots.

**Payment In Lieu of Taxes (PILOT)** – Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

**PCI** – Pavement Condition Index, used to rate the condition of pavement.

**Pension Benefits** – Retirement income and all other benefits (e.g. disability benefits, death benefits, life insurance) except healthcare benefits that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Post-employment healthcare benefits are considered other post employment benefits, regardless of how they are provided.

**Pension Cost** – Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

**Pension Obligation Bonds** – Bonds issued by employers to finance one or more elements of their pension obligation to employees. Pension obligation bonds may be used, for example 1) to reduce or eliminate the employer's net pension obligation, 2) to pay the employer's annual required contribution for the year, or 3) to reduce or eliminate the plan's unfunded actuarial accrued liability.

**Pension Plan** – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

**PERA** – Public Employees Retirement Association, state-wide pension plan, to which a majority of the City's employees belong.

**Post-employment** – Period following termination of employment, including the time between termination and retirement.

**Post-employment Healthcare Benefits** – Medical, dental, vision and other health-related benefits provided to terminated employees, retired employees, dependents, and beneficiaries.

**PI** – Permanent Improvement.

**PM** – Performance Management.

**Primary Government** – Term used in connection with defining the financial reporting entity. A state government or general purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

**Program Revenue** - Revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole' they reduce the net cost of the function to be financed from the government's general revenues.

**Priority Budgeting** - Allows the City to direct resources towards programs, helps to articulate why a program exists and is transparent.

**Proprietary Funds** – Funds that focus on the determination of operating income, changes in net assets (or cost recovery, financial position, and cash flows). There are two different types of proprietary funds: enterprise funds and internal service funds.

**PS&RS** – Public Safety and Regulatory Services, standing committee of the City Council.

**PW** – Public Works Department.

**RCV** – Ranked-choice voting.

**Reappropriation** – Inclusion of a balance from the prior year's budget as part of the budget of the subsequent fiscal year. Reappropriation is common for encumbrances outstanding at the end of a fiscal year that a government intends to honor in the subsequent fiscal year.

**Refunding** – Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and

interest on the old debt at a future time (an advance refunding).

**REIMB**—Capital work performed by divisions of Public Works for which reimbursements are received from other City departments, outside government agencies or private businesses.

**Results Minneapolis**— A management tool the City uses to systematically track performance toward achieving the city's five-year goals and 2020 vision.

**Revenue**— Funds received from various sources used to finance City expenditures.

**RFP**— Request for Proposal, the process by which the City receives service descriptions and estimates of costs from potential providers of a service.

**ROP**— Repeat Offender Program.

**RTW**— Return to Work.

**SAFER** - Staffing for Adequate Fire and Emergency Response. A federal grant program aiming to help fire departments increase the number of frontline firefighters. SAFER is part of the Assistance to Firefighters Grants and is under the purview of the Office of Grants and Training of the Department of Homeland Security.

**SBA**— Small Business Administration, of the Federal Government.

**SBC**— School Based Clinics.

**SCADA**— Supervisory Control and Data Acquisition, a program to automate the water control system from one point so that all gates, pumps, monitors and controls will be in one controlled area.

**Schedule of Employer Contributions**— In the context of defined benefit pension plans and other post-employment benefit plans, trend data on employers' annual required contribution to a plan an actual contributions.

**Schedule of Funding Progress**— In the context of defined benefit pension plans and other post-employment benefit plans, trend data on the relationship between the actuarial value of plan assets and the related actuarial accrued liability.

**SCORE**— Select Committee On Recycling & Environment.

**SDP**— Service Delivery Plan.

**Special Assessment**— Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**Special Revenue Funds**— Used to account for the proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities.

**Sponsor**— In the context of pension and other post-employment benefits, the entity that established the plan.

**SUBP**— Small and Underutilized Business Program of the Civil Rights Department.

**SW&R**— Solid Waste and Recycling.

**T&PW**— Transportation and Public Works, a standing committee of the City Council.

**Target Strategies**— Changes that will produce a reduction in operating expenditures.

**Tax Capacity**— That amount of estimated market value subject to taxes after the total estimated value is multiplied by a "tax classification rate".

**Tax Capacity Rate**— After calculating the dollars to be levied, each taxing jurisdiction uses the total tax capacity to calculate their "tax capacity rate". This rate is essentially the percentage of tax capacity to be paid in taxes.

**Tax Classification Rate**— The percentage set by state statute that is applied to the market value of each property classification to arrive at tax capacity (replaced assessment ratios).

**Tax Increment (TI)**— Tax increment of real property within a municipality whose assessed valuation for tax purposes is frozen when the tax increment district is certified. The proceeds from the tax increment bond sale are used to develop this distressed or under-utilized property. Taxes collected from the frozen assessed valuation continue to be distributed to the various taxing districts. As development caused the valuation of the property of rise, the difference or increment between the frozen valuation levels and increased value after development provides the needed payment to pay off the bonds.

**Tax Increment Finance Bonds** --Bonds sold to investors to raise capital for development activities. Interest paid to bond purchasers is usually exempt from state and federal taxation, although TIF bonds can also be sold to investors with no interest exemption from state and federal taxes.

**Tax-Increment Financing (TIF)**— Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area.

**TISH**— Truth in the Sale of Housing, a business function of Construction Code Services division of Regulatory Services.

**TNT**— Truth in Taxation Statement mailed to property owners each November, with approximate City taxes to be paid in following year.

**Total Expenses** – The total costs of a cost center or department including debt service and capital improvements.

**TRA** – Tenant Remedies Act.

**Truth In Taxation (TNT) Law** – In 1988, the Minnesota Legislature passed a law designed to make local governments more accountable for property tax increases. The law requires that local governments inform taxpayers of proposed tax levy amounts and adopt budgets at public hearings.

**UB** – Utility billing.

**Unallotment** – Executive branch power to reduce spending to avoid a deficit without legislative action.

**Unisys** – Unisys Corporation – The City of Minneapolis has a contract with Unisys to manage and support 2700 personal computers and more than 100 servers.

**Undesignated Unreserved Fund Balance** – Available expendable financial resources in a governmental fund that are not the object of tentative management plans (*i.e.*, designations).

**Unfunded Actuarial Accrued Liability** – Excess of the actuarial accrued liability over the actuarial value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, the excess of the actuarial value of assets over the actuarial accrued liability, or the funding excess.

**Unrealized Gains and Losses** – Difference between the carrying value of an asset and its fair value prior to sale.

**Variable-rate Investment** – In the context of investment disclosure, and investment with terms that provide for the adjustment of its interest rate on set dates (such as the last day of a month or calendar quarter) and that, upon each adjustment until the final maturity of the instrument of the period remaining until the principal amount can be recovered through demand, can reasonably be expected to have a fair value that will be unaffected by interest rate changes.

**VPN** – Virtual Private Network.

**Ways & Means/Budget Committee** – City Council Subcommittee made up of six City Council Members, which provides Council oversight on issues such as: acceptance of bids, appropriation of funds, approval of increases/decreases/transfers of funds, assignment of wages and salaries, budgetary items (including approval of the City's annual budget), the certification to Hennepin County of taxes to be levied for bonds sold, civil rights issues, execution of contracts, issuance of bonds, Minneapolis Employment and Training Program agreements, and the operating, structure and organization of departments (during the budget process).

**WC** – Worker Compensation.

**WiFi** – Wireless fidelity.

**YCB** – Youth Coordinating Board, a joint power agreement of the City.

**YTD** – Year to date.

**Z&P** – Zoning and Planning, City Council Subcommittee

# MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

## ADJOURNED SESSION OF THE REGULAR MEETING OF DECEMBER 9, 2011 HELD DECEMBER 14, 2011

(Published December 24, 2011, in *Finance and Commerce*)

Council Chamber  
Room 317 City Hall  
350 South 5th Street  
Minneapolis, Minnesota  
December 14, 2011 - 6:05 p.m.

The Council met pursuant to adjournment.  
President Johnson in the Chair.

Present - Council Members Reich, Hofstede, Schiff, Lilligren, Colvin Roy, Tuthill, Quincy, Glidden, Goodman, Hodges, Samuels, Gordon, President Johnson.

Lilligren moved adoption of the agenda. Seconded.

Adopted upon a voice vote 12/14/2011.

Lilligren moved to suspend Council Rule 14(b) to allow members of the public to address the Council. Seconded.

Adopted upon a voice vote 12/14/2011.

A public hearing was held to receive comments on the proposed 2012 budget and tax levy. A complete copy of the speakers list is available for public inspection (Petn No 275382) on file in the office of the City Clerk.

### PETITIONS AND COMMUNICATIONS

#### **WAYS AND MEANS BUDGET (See Rep):**

FINANCE DEPARTMENT (275382)

2012 Budget: Mark-up materials, 2012 Budget Book, and Public Hearing Speakers List relating to 2012 Mayor's Recommended Budget and public submitted comments.

*The following reports were signed by Mayor Rybak on December 16, 2011. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of ordinances and resolutions in the official newspaper of the city.*

### REPORTS OF STANDING COMMITTEES

#### **The WAYS & MEANS/BUDGET Committee submitted the following reports:**

**W&M/Budget** - Your Committee recommends passage of the accompanying Resolution approving the 2011 property tax levies, payable in 2012, for various funds of the City of Minneapolis for which the City Council levies taxes.

Adopted 12/14/2011.

**DECEMBER 14, 2011**

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Resolution 2011R-658, approving the 2011 property tax levies, payable in 2012, for various funds of the City of Minneapolis for which the City Council levies taxes, was adopted 12/14/2011 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-658  
By Hodges**

**Approving the 2011 property tax levies, payable in 2012, for the various funds of the City of Minneapolis for which the City Council levies taxes.**

Resolved by The City Council of The City of Minneapolis:

That the following taxes and tax levies are hereby assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2011 for taxes payable in 2012 for the following funds:

<b>FUND</b>	<b>CERTIFIED LEVY AMOUNT</b>	<b>ESTIMATED TAX CAPACITY RATES</b>
General Fund	\$176,374,000	48.014
Municipal Building Commission	\$4,285,000	1.167
Permanent Improvement	\$1,000,000	0.273
Bond Redemption	\$18,750,000	5.105
Firefighters Relief Association (MFRA)	\$325,000	0.089
Police Relief Association (MPRA)	\$2,275,000	0.620
Minneapolis Employees Retirement (MERF)	\$17,461,000	4.754
<b>Total</b>	<b>\$220,470,000</b>	<b>60.022</b>

Be It Further Resolved that the difference between the amounts herein levied by for the Bond Redemption Fund and the aggregate of levies previously certified to the Hennepin County Auditor are made up by cash from prior years' balances. 1) The tax capacity rates shown for each of the above funds are derived by applying the amount of the levy to an estimated tax capacity value of \$405,249,511 and a spread levy tax capacity value of \$316,960,902, and are advisory in nature only. The dollar amount shown in the levy hereby certified and such amounts to be determined by the County Auditor are to be due to the City under the "Fiscal Disparities" law.

Be It Further Resolved that a tax levy of \$9,300,000 be assessed against and levied based on market value upon the real and personal property in the City of Minneapolis in 2011 for taxes payable in 2012 for debt service associated with the voter approved Library Referendum Bond authorization of \$140,000,000.

Be It Further Resolved that the Certified Local Government Aid (LGA) Amount estimated at \$64,142,000 shall be initially distributed as follows:

Municipal Building Commission	\$193,067
Minneapolis Park & Recreation Board	\$7,570,039
<u>General Fund</u>	<u>\$56,378,894</u>
<b>TOTAL</b>	<b>\$64,142,000</b>

Any adjustments from this amount will be allocated in accordance to the principle of maintaining the proportional relationships in funding available for activities as set forth in the City's adopted financial policies.

Adopted 12/14/2011.

**W&M/Budget** - Your Committee having under consideration the Mayor's 2012 Recommended Budget, now recommends passage of the accompanying Resolution fixing the maximum amounts to be expended by the various departments for 2012 (2012 General Appropriation Resolution), from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, based on the recommendations submitted by the Mayor (Petn No 275382).

Hodges moved that the resolution be amended by adding the following language:

"Year 38 CDBG Consolidated Plan capital allocation to CPED by reducing the allocation to NEDF/ CEDF (Great Streets) by \$718,056 and increasing the allocation to Adult Training by \$380,000, increasing the allocation to Commercial Property Investment by \$139,000 and increasing the allocation to the Vacant and Boarded Building Program by \$199,056." Seconded.

Adopted upon a voice vote.

Hodges moved to amend Footnote "j", to read as follows:

"j) Amend the Mayor's recommended budget by moving \$90,000 and 1 FTE from the RENEW program within Community Planning & Economic Development Department (CPED) to the Civil Rights Department. Additionally, increase Civil Rights' FTE count by one." Seconded.

Adopted upon a voice vote.

Hodges moved that the resolution be amended by adding the following language:

"CPED is directed to allocate up to 7.5% of Emergency Shelter Grants to Intergovernmental Relations for administration." Seconded.

Adopted upon a voice vote.

Glidden moved that the resolution be amended by adding the following language:

"Decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services Department by \$50,000. Increase 2012 funding in the Communications Department for the MTN program by \$50,000 on a one-time basis." Seconded.

Adopted upon a voice vote.

Declining to vote - Colvin Roy.

Schiff moved that the resolution be amended by adding the following language:

"On a one-time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program." Seconded.

Adopted upon a voice vote.

Goodman moved that the resolution be amended by adding the following language:

"Increase the operating budget for CPED as follows: (1) Fund 01CUB - United Van/Bus \$200,000 (2) Fund 01CRS - Rosacker Nursery \$525,000 (3) Fund 01CPD - Portland Place \$70,000 (4) Fund 01CST - Stinson Tech. Campus \$300,000 (5) Fund 01CFR - Former Federal Reserve \$500,000 and (6) Fund 01CUV - Urban Village \$405,000 for a total of \$2 million." Seconded.

Adopted upon a voice vote.

Gordon moved that the resolution be amended by adding the following language:

"Finance staff is directed to reprogram \$66,095 of Community Development Block Grant Year 36 (2010) CPED Citizen Participation project funds to the Minneapolis Public Housing Authority's Resident Participation project. Such reprogramming should be made public via publication in the 2012 Consolidated Plan and these Year 36 funds will be available to the Public Housing Authority for the Year 38 CDBG program year." Seconded.

Reich moved a substitute motion that the resolution be amended by adding the following language:

“Direct Finance and NCR staff to report back to the Community Development Committee in two cycles regarding the appropriate use of CDBG funding to support the CPED Citizen Participation program and the issues raised about that funding source.” Seconded.

Adopted upon a voice vote.

Quincy moved that the resolution be amended by adding the following language:

“Amend the 2012 Capital Budget for Community Planning and Economic Development to allocate \$50,000 in Fund 01CLC (Location Contribution) for the It’s All About Kids Program, by decreasing the 2011 allocation for the Affordable Ownership Housing Program by \$50,000 and subsequently amending the Council’s September 2, 2011 action to reduce the reallocated Affordable Ownership Housing Program funding that capitalizes the revolving loan fund for Neighborhood Stabilization Program projects from \$750,000 to \$700,000.” Seconded.

Adopted upon a voice vote.

Lilligren moved that the resolution be amended by adding the following language:

“Staff Direction: Public Works and CPED are directed to create a Project Team comprised of representatives of CPED, Public Works and Finance departments to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:

- 1) Create defined project area;
- 2) Establish Timeline, schedule, benchmarks; and
- 3) Design and implement community and stakeholder engagement.

Staff is further directed to report back to the Community Development and the Transportation & Public Works Committees by end of the first quarter 2012 on progress and with any recommendations.” Seconded.

Adopted upon a voice vote.

Schiff moved that the resolution be amended by adding the following language:

“On a one-time basis, MPD is directed to transfer \$100,000 of unused 2011 contingency to Regulatory Services’ Public Safety – Animal Control Program.” Seconded.

Samuels moved a substitute motion that the resolution be amended by adding the following language:

“Direct Regulatory Services Department to request funds for the Public Safety – Animal Control Program as part of the usual year-end rollover process provided in the City’s financial policies.” Seconded.

Adopted. Yeas, 7; Nays, 6 as follows:

Yeas – Hofstede, Lilligren, Tuthill, Glidden, Hodges, Samuels, Gordon.

Nays – Reich, Schiff, Colvin Roy, Quincy, Goodman, Johnson.

Samuels’ substitute motion was adopted upon a voice vote.

Vice President Lilligren assumed the Chair.

Johnson moved that the resolution be amended by adding the following language:

“MPD is directed to transfer up to \$317,000 of their 2011 unused contingency on a one-time basis to the City Attorney’s Office to retain the Domestic Assault Prosecution Partnership in 2012.” Seconded.

Adopted upon a voice vote.

Johnson moved that the resolution be amended by adding the following language:

“Any unspent funds from the 2011 NRP operating budget, after paying all shut down expenses, are to be moved into the NCR Department.” Seconded.

Adopted upon a voice vote.



Johnson moved that the resolution be amended by adding the following language:

"a) Decrease the 311 Department's appropriation by \$125,000 (one-time dollars) and increase the City Council and Clerk Department appropriation by \$125,000 to offset reductions;

b) Direct staff to reduce City Council's 2012 ward budgets by 12%, setting each ward budget at a total of \$10,490;

c) Authorize 2011 rollover of individual ward budgets of up to \$15,000 per ward, with any remaining funds returned to the combined City Council and Clerk budget; and

d) Direct staff to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures." Seconded.

Glidden moved to divide Johnson's motion so as to consider Sections (a) through (d) separately. Seconded.

Adopted by unanimous consent.

Hodges moved to amend Section "c" to read as follows:

"c) Authorize ~~2011~~ rollover of Final 2011 individual ward budgets of up to \$15,000 per ward, with any remaining funds returned to the combined City Council & Clerk budget; and" Seconded.

Goodman called the question on Hodges' motion. Seconded.

Adopted upon a voice vote.

Hodges' motion lost upon a voice vote.

Johnson's motion Section (a), was adopted. Yeas, 7; Nays, 6 as follows:

Yeas – Reich, Hofstede, Schiff, Lilligren, Colvin Roy, Goodman, Johnson.

Nays – Tuthill, Quincy, Glidden, Hodges, Samuels, Gordon.

Johnson's motion Section (b), was adopted upon a voice vote.

Hodges moved to substitute Section (c) of Johnson's motion, as follows:

"c (1) Take remainder of BIS Employee Mobility Project (Wiring City Hall) project (\$30,000) and transfer that amount to the City Council & Clerk Department; and

(2) Delay final action on funds regarding the 2011 roll-over of individual ward budgets until all 2011 expenses have been accounted and paid." Seconded.

Adopted. Yeas, 8; Nays, 5 as follows:

Yeas – Reich, Hofstede, Quincy, Glidden, Goodman, Hodges, Samuels, Gordon.

Nays – Schiff, Lilligren, Colvin Roy, Tuthill, Johnson.

Hodges' substitute motion was adopted upon a voice vote.

Goodman called the question on Johnson's motion Section (d). Seconded.

Adopted upon a voice vote.

Johnson's motion Section (d), was adopted upon a voice vote.

On the Johnson amendment, as amended.

Adopted upon a voice vote.

Johnson moved that the resolution be amended by adding the following language:

"Direct the Police Department to use the department's budget savings to fund a \$31,000 City contribution to the St. Anthony Falls Heritage Board and a \$50,000 City contribution to the Mississippi Riverfront Partnership." Seconded.

Adopted upon a voice vote.

Johnson moved that the resolution be amended by adding the following language:

"Staff is directed to combine the budget of the City Council and City Clerk." Seconded.

Adopted upon a voice vote.

President Johnson resumed the Chair.

Hodges moved that the resolution be amended by adding the following language:

“Decrease 911 surcharge revenue from \$556,000 to \$515,000 to accurately reflect reimbursement for these revenues from the State of Minnesota.”

Withdrawn by unanimous consent, per Hodges’ request.

The report, as amended, was adopted 12/14/2011.

Resolution 2011R-659, fixing the maximum amounts to be expended by the various departments for 2012, from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, was adopted 12/14/2011 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-659  
By Hodges**

**Fixing the maximum amounts to be expended by the various departments for 2012 from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees.**

Resolved by The City Council of The City of Minneapolis:

That there be appropriated out of the monies in the City Treasury and revenues of the City applicable to specifically named funds the maximum appropriation amounts as outlined in Financial Schedules 1, 2, 3, 4 (Community Development Block Grant (“CDBG”) Program Allocations), 5, 6, 7, 8, 9, 10, 11, 12, and 14 as published in the final 2012 Adopted Budget Book.

**2012 Operating Budget  
Resolution Footnotes:**

- a) Administrative Financial Policies, as included in the Financial Policies Section of the 2012 Adopted Budget book, are hereby adopted as part of the 2012 budget.
- b) Be It Further Resolved that this resolution may be cited as the “General Appropriation Resolution of 2012.”

**Additional/Changes to Financial Policies (as needed)**

- c) Direct the Finance Officer to update the five-year financial direction consistent with recommendations of the City Council.
- d) Amend page 56 of the financial policies to include the following language: Central Requisitions and Receiving Policy. All departments must follow the City’s official Central Requisitions and Receiving process as outlined on the Finance Department website. The process is designed to ensure that all requisitions have a correct coding string assigned “up front. Requisitions will not be processed without coding.

Exceptions: The “frontload” process will only be allowed to be bypassed in the following situations: emergency repairs to buildings, vehicles, and, more generally, the purchase of materials and services in situations where the purchase could not have been anticipated in advance. Concrete and Asphalt

purchases, refunds, and Worker's Compensation Payments will also be allowed to bypass the frontload process. In an exception situation, the requester must fill out the requisition request and submit it to the Central Requisitions and Receiving/Central Stores within the next business day.

e) Amend page 56 of the financial policies to include the following language: **City Time Reporting.** Every employee of City Departments must follow the City's Time and Labor guidelines for time reporting and approval of compensation, reporting both working and non-working compensable hours.

Charter Department Heads must approve time for their direct reports, and all City supervisors must approve time for their direct reports while serving as a backup approver for their direct reports who supervise other employees. With the exception of Charter Department Heads, every employee's timesheet must be approved by a supervisor, regardless of FLSA exemption status.

f) Amend page 65 of the financial policies to include the following language: Excess net debt bond proceeds returned to the debt service fund through priority number "3" listed above will be tracked and used to increase net debt bond programming in the following year. In addition, unissued net debt bond authorizations from closed or abandoned projects will not be allowed to be reprogrammed to new projects without going through the formal annual Capital Budget Process but will be used to expand net debt bond programming in the following year.

### **Changes to the Recommended Budget**

g) Remove all funding and full-time employee associated with the Homegrown Minneapolis Business Development Initiative. Finance is directed to amend schedules accordingly. Decrease Regulatory Service revenue budget by \$142,202. Finance is directed to amend budget document accordingly.

h) Amend the Mayor's recommended budget by moving \$90,000 from the RENEW program within Community Planning & Economic Development Department (CPED) to the Civil Rights Department. Additionally, increase Civil Rights' FTE count by one.

i) Increase the Year 38 allocation for CDBG for Multi-Family/Affordable Housing by \$164,601.

j) Increase the Year 38 allocation to Neighborhood Services by \$72,000.

k) Increase the Year 38 allocation to Domestic Abuse Project by \$60,000.

l) Increase the Year 38 allocation for CDBG by \$104,600 to restore the funding for the Regulatory Services problem property function.

m) Amend the expense and revenue appropriations of the Fire and Regulatory Services Departments to increase the total contract for problem properties to \$400,000 in 2012. Additionally, pursuant to 2010 Operating Budget Resolution Footnote (I) of Resolution 2009R-586, staff is directed to renegotiate the Memorandum of Understanding between Fire Department and Regulatory Services regarding problem properties to reflect this change.

n) Amend the Mayor's 2012 recommended operating budget as follows: (a) decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services Department by \$100,000; and (b) increase 2012 funding in the Communications Department for the Minneapolis Television Network (MTN) program by \$100,000 on a one-time basis.

o) Amend the Mayor's Recommended Budget to include a CPED budget footnote: Fees for land use applications will be subject to a 3.5% (consumer price index bureau of labor statistic inflation rate) increase for 2012. Zoning re-inspection fees will be increased from \$150 to \$200.

p) Amend the Mayor's 2012 Recommended Budget as follows: increase the Mayor's Recommended Operating Revenue Budget for CPED by \$92,000; increase CPED's operating budget by \$92,000; and increase CPED's FTE count by 1 FTE (Zoning Inspector II).

q) Amend the Mayor's Recommended 2012 capital budget by decreasing the net debt bond funding in TR021 Traffic Signals by \$700,000; and by increasing and approving a new project PV079 Pavement Maintenance Equipment with \$700,000 of net debt bond funding.

r) Decrease the Mayor's 2012 Recommended Budget for Health and Family Support Department by \$106,000; increase the Mayor's recommended budget for Neighborhood and Community Relations Department by \$106,000; and move the 1.0 FTE (Senior Ombudsman) from Health and Family Support Department to the Neighborhood and Community Relations Department.

s) Amend the Mayor's 2012 Recommended Budget as follows: on a one time basis, move \$60,000 from Employee Computing Mobility Program within the Business Information Services Department to Internal Audit and restore 1 position in the Internal Audit Department.

t) Decrease the 2012 one-time funding for the Employee Computing Mobility Program budgeted in the Business Information Services department by \$50,000. Increase 2012 funding in the Communications Department for the MTN program by \$50,000 on a one-time basis.

u) Increase the operating budget for CPED as follows: (1) Fund 01CUB - United Van/Bus \$200,000 (2) Fund 01CRS - Rosacker Nursery \$525,000 (3) Fund 01CPD - Portland Place \$70,000 (4) Fund 01CST - Stinson Tech. Campus \$300,000 (5) Fund 01CFR - Former Federal Reserve \$500,000 and (6) Fund 01CUV - Urban Village \$405,000 for a total of \$2 million.

v) Amend the 2012 Capital Budget for Community Planning and Economic Development to allocate \$50,000 in Fund 01CLC (Location Contribution) for the It's All About Kids Program, by decreasing the 2011 allocation for the Affordable Ownership Housing Program by \$50,000 and subsequently amending the Council's September 2, 2011 action to reduce the reallocated Affordable Ownership Housing Program funding that capitalizes the revolving loan fund for Neighborhood Stabilization Program projects from \$750,000 to \$700,000.

w) Amend the Mayor's 2012 Recommended Budget as follows:

- 1) Decrease the 311 Department's appropriation by \$125,000 (one-time dollars) and increase the City Council and Clerk Department appropriation by \$125,000 to offset reductions;
- 2) Direct staff to reduce City Council's 2012 ward budgets by 12%, setting each ward budget at a total of \$10,490;
- 3) Direct staff as follows:
  - (a) Take remainder of BIS Employee Mobility Project (Wiring City Hall) project (\$30,000) and transfer that amount to the City Council & Clerk Department.
  - (b) Delay final action on funds regarding the 2011 roll-over of individual
- 4) Direct staff to develop a plan to train all City Council staff on 311 constituent service and response systems and procedures.

### Directions to Staff

x) MPD is directed to provide a staffing update to the Public Safety, Civil Rights & Health and Ways & Means/Budget Committees by April 15, 2012, to allow effective workforce planning for the 2013 budget, including identification of positions that are not required to be performed by sworn staff. This update should include: a projection of attrition of all MPD positions; an ongoing funding plan for Community Crime Prevention Specialists; and an ongoing funding plan for sworn officer hiring.

y) The Community Planning and Economic Development Department is directed to work with the Finance Department to prepare and present a methodology for the proposed Growth Fund. These presentations must be made prior to April 1, 2012, to both the Ways & Means/Budget Committee and the Community Development Committee.

z) The Finance Department is directed to amend all schedules and final budget documents, removing references to the Growth Fund.

aa) Public Works is directed to report to the Transportation & Public Works Committee by January 31, 2012 with proposed specific projects for the 2012 Capital Budget Paving Program.

bb) The Communications Department is directed to complete a best practices study into other models to address public, education, and government access television and report back to the Ways & Means/Budget Committee no later than June 20, 2012.

cc) The Communications Department is directed to request from MTN additional information about hours of original programming produced and broadcast, demographic information about contributing producers, training and utilization of studio space, and to report back to Ways & Means/Budget Committee no later than March 1, 2012.

dd) Minneapolis Police Department and the Health and Family Support Department will report results on Youth Violence Prevention efforts to *Results Minneapolis*, including efforts by the crime prevention specialists assigned to juvenile crime statistics, broken down by gang affiliation.

ee) Regulatory Services to return to the Ways & Means/Budget Committee by March 1, 2012, with a renegotiated Memorandum of Understanding between Regulatory Services and Minneapolis Fire Departments.

ff) The Community Planning and Economic Development and Communications Departments are directed to assist MTN in reviewing options to reduce expenses for office and studio space including seeking a sub lessee for MTN's existing space.

gg) Business Information Services (BIS) Department is directed to work with Information Services Policy Steering Group (ISPSG) to make implementation decisions regarding the deployment of the Employee Computing Mobility Program.

hh) Minneapolis Police Department will report back to Regulatory, Energy, & Environment and Ways & Means/Budget Committees by January 31, 2012, with a plan to ensure that salaries of MPD staff whose job duties that engage in regulatory functions are paid for out of license fees, not general fund.

ii) The Public Works Department is directed to determine a strategy for shifting the cost of cleaning graffiti off city infrastructure out of the Solid Waste Enterprise Fund and into the operating budgets responsible for maintaining the infrastructure where the graffiti lands. A presentation on the department's graffiti clean-up strategy is to be made to the Ways & Means/Budget Committee prior to or during their regularly scheduled meetings in March.

jj) Direct the Minneapolis Fire Department to report back to the Regulatory, Energy & Environment Committee and the Ways & Means/Budget Committee by January 31, 2012 with a plan to ensure that salaries of MFD staff whose job duties engage in regulatory functions are paid for out of license fees, not general funds. Finance staff is directed to report to the Regulatory, Energy & Environment Committee and Ways & Means/Budget Committees by January 31, 2012 about cost recovery models in all departments.

kk) Direct the Fire Department to work with its consultants to evaluate the arson investigation functions performed by Fire personnel including the potential for revising staffing models as well as work share agreements with the Police Department.

ll) Minneapolis Police Department is directed to use a portion of their 2011 unused contingency to retain Community Crime Prevention Specialists.

mm) Minneapolis Police Department is directed to transfer up to \$317,000 of their 2011 unused contingency on a one-time basis to the City Attorney's Office to retain the Domestic Assault Prosecution Partnership in 2012.

nn) On a one-time basis, MPD is directed to transfer \$20,000 of unused 2011 contingency to the City Attorney for Restorative Justice Program.

oo) Direct Finance and NCR staff to report back to the Community Development Committee in two cycles regarding the appropriate use of CDBG funding to support the CPED Citizen Participation program and the issues raised about that funding source.

pp) Public Works and CPED are directed to create a Project Team comprised of representatives of CPED, Public Works and Finance departments to advance the reopening of Nicollet Avenue at Lake Street. Activities of the Project Team to include:

- 1) Create defined project area;
- 2) Establish Timeline, schedule, benchmarks; and
- 3) Design and implement community and stakeholder engagement.

Staff is further directed to report back to the Community Development and the Transportation & Public Works Committees by end of the first quarter 2012 on progress and with any recommendations.

qq) Direct Regulatory Services Department to request funds for the Public Safety – Animal Control Program as part of the usual year-end rollover process provided in the City's financial policies.

rr) Any unspent funds from the 2011 NRP operating budget, after paying all shut down expenses, are to be moved into the NCR Department.

ss) Direct the Police Department to use the department's budget savings to fund a \$31,000 City contribution to the St. Anthony Falls Heritage Board and a \$50,000 City contribution to the Mississippi Riverfront Partnership.

tt) Staff is directed to combine the budgets of the City Council and City Clerk.

### **Technical Changes**

uu) Amend the Mayor's recommended 2012 Operating budget for the Public Works Department programs as follows: decrease the Bridge Maintenance & Repair program by \$25,000; decrease the Street Maintenance & Repair program by \$100,000; decrease the Snow & Ice program by \$75,000; and increase the Malls and Plaza program by \$200,000.

vv) Amend the Mayor's recommended 2012 Operating budget for Human Resources Department programs to allocate \$119,253 in previously unallocated dollars to specific programs as follows: Administration \$8,687; Classification \$2,240; Compensation \$2,240; HRTS \$28,223; Labor Relations \$7,674; Management \$38,296; Recruiting \$22,312; Diversity \$7,250; and Training \$2,331.

ww) Amend the Mayor's recommended 2012 Capital budget by increasing the funding in the WTR12 Distribution Improvements capital program by \$1,300,000.

xx) Increase the Mayor's recommended 2012 Operating budget for Emergency Management by \$226,303 and decrease Regulatory Services' general fund budget by \$226,303. Also, transfer two FTE's from Regulatory Services (Admin Analyst I and Admin Analyst II) to Emergency Management. Direct the City Coordinator's Department to make regular reports to relevant Council committees on the success of grant applications for emergency management functions.

yy) Rescind the Council's previous action committing \$5 million in UDAG funding to the planetarium project and return to CPED discretionary control, approved by the City Council on October 21, 2011.

zz) Increase the Mayor's recommended FTE for the Water Department by 6.34 to match 2012 budgeted dollars.

aaa) Increase Year 38 allocation for Other Consolidated Plan Entitlement to HOME Investment Partnerships by \$2,072,652; to Emergency Solutions Grant (ESG) by \$1,014,625; and Housing Opportunities for Persons with AIDS (HOPWA) by \$1,002,560.

bbb) Year 38 CDBG Consolidated Plan capital allocation to CPED by reducing the allocation to NEDF/CEDF (Great Streets) by \$718,056 and increasing the allocation to Adult Training by \$380,000, increasing the allocation to Commercial Property Investment by \$139,000 and increasing the allocation to the Vacant and Boarded Building Program by \$199,056.

ccc) CPED is directed to allocate up to 7.5% of Emergency Shelter Grants to Intergovernmental Relations for administration.  
Adopted 12/14/2011.

**W&M/Budget** - Your Committee recommends passage of the accompanying resolution adopting the 2012-2016 Five Year Capital Program, as shown in the "Capital Section" of the adopted 2012 Budget Book (Petn No 275382), fixing the maximum amounts of capital funds to be expended by the various funds under the jurisdiction of the City Council.  
Adopted 12/14/2011.

Resolution 2011R-660, adopting the 2012-2016 Five Year Capital Program, was adopted 12/14/2011 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-660**  
**By Hodges**

**Adopting the 2012 - 2016 Five Year Capital Program and fixing the maximum amounts for 2012 to be expended by the various funds under the jurisdiction of the City Council.**

Resolved by the City Council of the City of Minneapolis:

That the Five Year Capital Program for 2012 - 2016 is hereby adopted and that there be appropriated out of the monies of the City Treasury and revenues of the City applicable to specifically named funds and revenue sources, the following maximum appropriation amounts for 2012:

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Fund	Department Project	Amounts (in thousands)	Revenue Source Description
<b>34200 MBC - CAPITAL IMPROVEMENTS</b>			
<b>9010901 MBC CAPITAL</b>			
	MBC01 Life Safety Improvements	200	Net Debt Bonds
	MBC02 Mechanical Systems Upgrade	500	Net Debt Bonds
	MBC04 MBC Elevators	370	Net Debt Bonds
	MBC06 Clock Tower Upgrade	36	Net Debt Bonds
	<b>TOTAL FOR FUND 34200 - 901090</b>	<b>1,106</b>	
<b>14370 PARK - CAPITAL IMPROVEMENTS ASSESSED</b>			
<b>9103000 FORESTRY &amp; TREE DISEASE CONTROL</b>			
	PRKDT Diseased Tree Removal	500	Assessment Bonds
	<b>TOTAL FOR FUND 14370 - 9103000</b>	<b>500</b>	
<b>14300 PARK - CAPITAL IMPROVEMENTS</b>			
<b>9101000 PARKS CAPITAL IMPROVEMENT</b>			
	PRK01 Recreation Center and Site Improvements Program	2,000	Net Debt Bonds
	PRK01 Recreation Center and Site Improvements Program	350	Park Board Tax Levy
	PRK02 Playground and Site Improvements Program	250	Park Board Tax Levy
	PRK03 Shelter – Pool – Site Improvements Program	600	Park Board Tax Levy
	PRK03 Shelter – Pool – Site Improvements Program	500	Hilton Trust Funds
	PRK04 Athletic Fields and Site Improvements Program	200	Park Board Tax Levy
	PRKCP Neighborhood Parks Capital Infrastructure	500	Net Debt Bonds
	PRKCP Neighborhood Parks Capital Infrastructure	100	Park Board Tax Levy
	<b>TOTAL FOR FUND 14300 - 9101000</b>	<b>4,500</b>	
<b>04100 CITY - CAPITAL IMPROVEMENTS</b>			
<b>PUBLIC WORKS CAPITAL IMPROVEMENTS</b>			
<b>9010923 PROPERTY SERVICES CAPITAL</b>			
	PSD01 Facilities – Repair & Improvements (PS1201)	1,075	Net Debt Bonds
	PSD11 Energy Conservation and Emission Reduction (PS12E11)	500	Net Debt Bonds
	CTY02 City Property Reforestation (CTY1202)	150	Net Debt Bonds
	PSD03 Facilities – Space Improvements (PS1203)	500	Net Debt Bonds
	PSD12 Pioneers & Soldiers Cemetery Fencing – Phase II	250	Net Debt Bonds
	PSD12 Pioneers & Soldiers Cemetery Fencing – Phase II	200	State of Minnesota
	04100-9010923 Property Services Subtotal	2,675	



**9010937 STREET PAVING CAPITAL**

PV001 Parkway Paving (PV1201)	500	Net Debt Bonds
PV001 Parkway Paving (PV1201)	50	Assessment Bonds
PV001 Parkway Paving (PV1201)	150	Hilton Trust Funds
PV003 Street Renovation (PV1203)	1,175	Net Debt Bonds
PV003 Street Renovation (PV1203)	325	Assessment Bonds
PV006 Alley Renovation (PV1206)	50	Assessment Bonds
PV006 Alley Renovation (PV1206)	200	Hilton Trust Funds
PV021 33rd Ave SE and Talmage Ave	250	Net Debt Bonds
PV021 33rd Ave SE and Talmage Ave	1,220	Municipal State Aid
PV021 33rd Ave SE and Talmage Ave	505	Assessment Bonds
PV056 Asphalt Pavement Resurfacing Program (PV1256)	1,110	Net Debt Bonds
PV056 Asphalt Pavement Resurfacing Program (PV1256)	500	Municipal State Aid
PV056 Asphalt Pavement Resurfacing Program (PV1256)	1,400	Assessment Bonds
PV056 Asphalt Pavement Resurfacing Program (PV1256)	1,000	Hilton Trust Funds
PV057 Nicollet Ave (Lake St E to 40th St E)	3,558	Net Debt Bonds
PV057 Nicollet Ave (Lake St E to 40th St E)	2,300	Municipal State Aid
PV057 Nicollet Ave (Lake St E to 40th St E)	830	Assessment Bonds
PV057 Nicollet Ave (Lake St E to 40th St E)	80	Other Local Govt
PV059 Major Pavement Maintenance (PV1259)	1,000	Hilton Trust Funds
PV061 High Volume Corridor Reconditioning Program (PV1261)	1,785	Net Debt Bonds
PV061 High Volume Corridor Reconditioning Program (PV1261)	650	Assessment Bonds
PV061 High Volume Corridor Reconditioning Program (PV1261)	500	Hilton Trust Funds
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	3,760	Net Debt Bonds
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	2,210	Municipal State Aid
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	670	Assessment Bonds
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	780	Other Local Govt
PV063 Unpaved Alley Construction (PV1263)	150	Net Debt Bonds
PV063 Unpaved Alley Construction (PV1263)	150	Assessment Bonds
PV074 CSAH & MnDOT Cooperative Projects (PV1274)	600	Net Debt Bonds
PV074 CSAH & MnDOT Cooperative Projects (PV1274)	750	Assessment Bonds
PV075 Development Infrastructure Program (PV1275)	500	Net Debt Bonds
PV075 Development Infrastructure Program (PV1275)	500	Hilton Trust Funds
PV078 Central Corridor Station Area Improvements	500	Net Debt Bonds
PV078 Central Corridor Station Area Improvements	500	Hilton Trust Funds
PV079 Pavement Maintenance Equipment (a)	700	Net Debt Bonds

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PV99R Reimbursable Paving Projects (PV12R)	3,500	Reimbursements
04100-9010937 Street Paving Subtotal (b)	34,408	
<b>9010938 BRIDGE CAPITAL</b>		
BR101 Major Bridge Repair and Rehabilitation (BR1201)	300	Net Debt Bonds
04100-9010938 Bridge Subtotal	300	
<b>9010939 SIDEWALK CAPITAL</b>		
SWK01 Defective Hazardous Sidewalks (SWK12)	275	Net Debt Bonds
SWK01 Defective Hazardous Sidewalks (SWK12)	2,795	Assessments
04100-9010939 Sidewalk Subtotal	3,070	
<b>9010943 TRAFFIC CAPITAL</b>		
BIK24 Major Bike Maintenance Program (BIK1224)	100	Hilton Trust Funds
BIK25 Bluff Street Bike Trail Project	800	Net Debt Bonds
BIK25 Bluff Street Bike Trail Project	1,200	State of Minnesota
TR008 Parkway Street Light Replacement (TR1208)	150	Net Debt Bonds
TR008 Parkway Street Light Replacement (TR1208)	150	Hilton Trust Funds
TR010 Traffic Management Systems (TR1210)	25	Net Debt Bonds
TR010 Traffic Management Systems (TR1210)	50	Municipal State Aid
TR010 Traffic Management Systems (TR1210)	400	Federal Government
TR010 Traffic Management Systems (TR1210)	50	Hennepin County
TR011 City Street Light Renovation (TR1211)	200	Net Debt Bonds
TR011 City Street Light Renovation (TR1211)	900	Hilton Trust Funds
TR021 Traffic Signals (TR1221) (a)	985	Net Debt Bonds
TR021 Traffic Signals (TR1221)	815	Municipal State Aid
TR021 Traffic Signals (TR1221)	2,400	Federal Government
TR021 Traffic Signals (TR1221)	400	Hennepin County
TR022 Traffic Safety Improvements (TR1222)	875	Net Debt Bonds
TR022 Traffic Safety Improvements (TR1222)	505	Municipal State Aid
TR022 Traffic Safety Improvements (TR1222)	500	Federal Government
TR022 Traffic Safety Improvements (TR1222)	247	Hennepin County
TR022 Traffic Safety Improvements (TR1222)	23	State of Minnesota
TR022 Traffic Safety Improvements (TR1222)	60	Other Misc Revenues
TR023 Trunk Highway 55 Signal Improvement	400	Net Debt Bonds
TR023 Trunk Highway 55 Signal Improvement	850	Other Local Govt
TR99R Reimbursable Transportation Projects (TR12R)	600	Reimbursements
04100-9010943 Traffic Subtotal	12,385	
<b>04100 - PUBLIC WORKS CAPITAL IMPROVEMENTS</b>		
Subtotal	52,838	
<b>8900420 COMMUNITY PLANNING &amp; ECONOMIC DEVELOPMENT (CPED)</b>		
ART01 Art in Public Places (ART12)	346	Net Debt Bonds
04100-8900420 CPED Subtotal	346	
<b>TOTAL FOR FUND 04100</b>	<b>53,184</b>	

**06400 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND**

**9010972 BIS CAPITAL**

BIS03 Enterprise Content Management (B1203)	400	Net Debt Bonds
BIS04 Enterprise Infrastructure Modernization (B1204)	750	Net Debt Bonds
BIS32 Mobile Computing Framework (B1232)	125	Net Debt Bonds
<b>TOTAL FOR FUND 06400 - 9010972</b>	<b>1,275</b>	

**07100 SANITARY SEWER ENTERPRISE FUND**

**9010932 SANITARY/STORM CAPITAL**

SA001 Sanitary Tunnel and Sewer Rehabilitation Program (SA1201)	3,500	Sanitary Sewer Bonds
SA036 Infiltration & Inflow Removal Program (SA1236)	3,000	Sanitary Sewer Bonds
<b>TOTAL FOR FUND 07100 - 9010932</b>	<b>6,500</b>	

**07300 STORMWATER ENTERPRISE FUND**

**9010932 SANITARY/STORM CAPITAL**

SW004 Implementation of US EPA Storm Water Regulations (SW1204)	250	Stormwater Revenue
SW005 Combined Sewer Overflow Improvements (SW1205)	1,500	Stormwater Bonds
SW011 Storm Drains & Tunnels Rehab Program (SW1211)	7,500	Stormwater Bonds
SW011 Storm Drains & Tunnels Rehab Program (SW1211)	1,000	Stormwater Revenue
SW039 Flood Mitigation with Alternative Stormwater Mgmt (SW1239)	1,000	Stormwater Revenue
SW99R Reimbursable Sewer & Storm Drain Projects (SW12R)	3,000	Reimbursements
PV021 33rd Ave SE and Talmage Ave	80	Stormwater Revenue
PV057 Nicollet Ave (Lake St E to 40th St E)	170	Stormwater Revenue
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	350	Stormwater Revenue
<b>TOTAL FOR FUND 07300 - 9010932</b>	<b>14,850</b>	

**07400 WATER ENTERPRISE FUND**

**9010950 WATER CAPITAL**

WTR12 Water Distribution Improvements (WTR1212) (c)	5,300	Water Revenue
WTR23 Treatment Infrastructure Improvements (WTR1223)	4,000	Water Revenue
WTR24 Fridley Filter Rehabilitation (WTR1224)	100	Water Revenue
WTR9R Reimbursable Watermain Projects (WTR12R)	2,000	Reimbursements
PV057 Nicollet Ave (Lake St E to 40th St E)	25	Water Revenue
PV062 Riverside Ave (Cedar Ave to Franklin Ave E)	85	Water Revenue
<b>TOTAL FOR FUND 07400 - 9010950</b>	<b>11,510</b>	

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**07500 MUNICIPAL PARKING ENTERPRISE FUND**

**9010946 PARKING RAMP CAPITAL**

RMP01 Parking Facilities - Repair and Impr (RP1201)	1,700	Parking Bonds
<b>TOTAL FOR FUND 07500 - 9010946</b>	<b>1,700</b>	

**01760 CONVENTION CENTER OPERATIONS FUND**

**9010970 NON-DEPARTMENTAL CAPITAL**

CNV01 Convention Center Domes Repair	5,000	Conv Center Bonds
<b>TOTAL FOR FUND 17600 - 9010970</b>	<b>5,000</b>	

**GRAND TOTALS FOR ALL FUNDS            100,125**

Be It Further Resolved that the following 2012 Capital Budget footnotes are hereby incorporated into the 2012 Capital Resolution:

a) Amend the Mayor's 2012 capital budget by decreasing the net debt bond funding in TR021 Traffic Signals by \$700,000 and by increasing and approving a new project PV079 Pavement Maintenance Equipment with \$700,000 of net debt bond funding.

b) Staff Direction: Public Works is directed to report to the Transportation and Public Works committee by January 31, 2012 with proposed specific projects for the 2012 Capital Budget Paving Program.

c) Amend the Mayor's 2012 capital budget by increasing the funding in the WTR12 Water Distribution Improvements capital program by \$1,300,000.  
Adopted 12/14/2011.

**W&M/Budget** - Your Committee recommends passage of the accompanying resolutions requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2012 Capital Appropriation Resolution.  
Adopted 12/14/2011.

Resolutions 2011R-661 through 2011R-666, requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2012 Capital Appropriation Resolution, were adopted 12/14/2011 by the City Council. A complete copy of each resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-661**

**By Hodges**

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$500,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$500,000, the proceeds of which are to be used for the diseased tree removal program. Assessments shall be collected in 5 successive equal annual installments payable in the same manner as real estate taxes.

Adopted 12/14/2011.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-662**

**By Hodges**

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$5,380,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$5,380,000, the proceeds of which are to be used for the purpose of paying the portion of the cost of making and constructing certain local improvements to be assessed against benefited properties as estimated by the City Council and the Park Board, including assessable portions of the costs relating to paving, mill and overlays, alley resurfacing, retaining walls, streetscapes, landscaping, curb and gutter, street lighting, traffic management plans, ornamental lighting and bike lane development, of which assessments shall be collected in successive equal annual installments, payable in the same manner as real estate taxes, with the number of installments determined by the type of improvement and current City Council policy.

PV001	Parkway Paving Program (PV1201)	50,000
PV003	Street Renovation Program (PV1203)	325,000
PV006	Alley Renovation Program (PV1206)	50,000
PV021	33 <sup>rd</sup> Ave SE and Talmage Ave	505,000
PV056	Asphalt Pavement Resurfacing Program (PV1256)	1,400,000
PV057	Nicollet Ave (Lake St E to 40 <sup>th</sup> St E)	830,000
PV061	High Volume Corridor Reconditioning Program (PV1261)	650,000
PV062	Riverside Ave (Cedar Ave to Franklin Ave E)	670,000
PV063	Unpaved Alley Construction (PV1263)	150,000
PV074	CSAH & MnDOT Cooperative Projects (PV1274)	750,000
	Total	\$5,380,000

Adopted 12/14/2011.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-663**

**By Hodges**

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$26,000,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds, in the amount of \$26,000,000, the proceeds of which are to be used as follows:

**Municipal Building Commission, in the amount of \$1,106,000**

MBC01	Life Safety Improvements	200,000
MBC02	Mechanical Systems Upgrade	500,000
MBC04	MBC Elevators	370,000
MBC06	Clock Tower Upgrade	36,000

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### Park & Recreation Board, in the amount of \$2,500,000

PRK01	Recreation Center and Site Improvements Program	2,000,000
PRKCP	Neighborhood Parks Capital Infrastructure	500,000

### City Council, in the amount of \$22,394,000

PSD01	Facilities – Repair & Improvements (PS1201)	1,075,000
PSD11	Energy Conservation and Emission Reduction (PS12E11)	500,000
CTY02	City Property Reforestation (CTY1202)	150,000
PSD03	Facilities – Space Improvements (PS1203)	500,000
PSD12	Pioneers & Soldiers Cemetery Fencing – Phase II	250,000
PV001	Parkway Paving Program (PV1201)	500,000
PV003	Street Renovation Program (PV1203)	1,175,000
PV021	33 <sup>rd</sup> Ave SE and Talmage Ave	250,000
PV056	Asphalt Pavement Resurfacing Program (PV1256)	1,110,000
PV057	Nicollet Ave (Lake St E to 40 <sup>th</sup> St E)	3,558,000
PV061	High Volume Corridor Reconditioning Program (PV1261)	1,785,000
PV062	Riverside Ave (Cedar Ave to Franklin Ave E)	3,760,000
PV063	Unpaved Alley Construction (PV1263)	150,000
PV074	CSAH & MnDOT Cooperative Projects (PV1274)	600,000
PV075	Development Infrastructure Program (PV1275)	500,000
PV078	Central Corridor Station Area Improvements	500,000
PV079	Pavement Maintenance Equipment	700,000
BR101	Major Bridge Repair and Rehabilitation (BR1201)	300,000
SWK01	Defective Hazardous Sidewalks (SWK12)	275,000
BIK25	Bluff Street Bike Trail Project	800,000
TR008	Parkway Street Light Replacement (TR1208)	150,000
TR010	Traffic Management Systems (TR1210)	25,000
TR011	City Street Light Renovation (TR1211)	200,000
TR021	Traffic Signals (TR1221)	985,000
TR022	Traffic Safety Improvements (TR1222)	875,000
TR023	Trunk Highway 55 Signal Improvements	100,000
ART01	Art in Public Places (ART12)	346,000
BIS03	Enterprise Content Management (B1203)	400,000
BIS04	Enterprise Infrastructure Modernization (B1204)	750,000
BIS32	Mobile Computing Framework (B1232)	125,000
	Grand Total	\$26,000,000

Adopted 12/14/2011.

The following is the complete text of the unpublished summarized resolution.

### RESOLUTION 2011R-664

By Hodges

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$15,500,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$15,500,000, the proceeds of which are to be used for sanitary and storm sewer related projects, as follows:

Sanitary Sewer Projects – Fund 07100:

SA001	Sanitary Tunnel and Sewer Rehab Program (SA1201)	3,500,000
SA036	Infiltration & Inflow Removal Program (SA1236)	3,000,000
	Total	\$6,500,000

Storm Sewer Projects – Fund 07300:

SW005	Combined Sewer Overflow Improvements(SW1205)	1,500,000
SW011	Storm Drains & Tunnels Rehab Program (SW1211)	7,500,000
	Total	\$9,000,000

Adopted 12/14/2011.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-665**  
**By Hodges**

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,700,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$1,700,000, the proceeds of which are to be used for Parking Facility related projects, as follows:

RMP01	Parking Facilities - Repair and Impr (RP1201)	\$1,700,000
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Adopted 12/14/2011.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2011R-666**  
**By Hodges**

**Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$5,000,000 for certain purposes other than the purchase of public utilities.**

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$5,000,000, the proceeds of which are to be used for Convention Center Facility related projects, as follows:

CNV01	Convention Center Domes Repair	\$5,000,000
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Adopted 12/14/2011.

**W&M/Budget** - Your Committee recommends passage of the accompanying resolution designating the utility rates for water, sewer, stormwater, solid waste, and recycling services, effective on and after January 1, 2012.

Colvin Roy moved to refer the matter of the Mayor's Recommended Utility Rates for water, sewer, solid waste and recycling services to the Ways & Means/Budget Committee meeting of December 15, 2011.

Adopted upon a voice vote.

**DECEMBER 14, 2011**

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Lilligren moved to adjourn. Seconded.  
Adopted upon a voice vote.

The adjourned session of the City Council meeting was tape recorded with the tape on file in the office of the City Clerk.

Casey Joe Carl,  
City Clerk.

Unofficial Posting: 12/16/2011  
Official Posting: 12/23/2011